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## Eritreans claim winning battle for Keren

ERITREAN, Aug. 18 (R)—guerrillas said Friday they have won the first major battle for Keren, a major town they still control after a 10-week offensive against government troops in northern province.

Four days of fighting steep hills near the town, the Eritrean Liberation Front said that more than 100 government troops and men were killed and the town was recaptured.

An Ethiopian government spokesman issued by its embassy in London described the claim as "absolutely untrue" and said the government had recaptured the town within four days of fighting.

The EPLF spokesman said guerrilla units which pulled out of towns as the government army advanced into Eritrea last month had returned to their old strategy of living in the mountains and controlling or harassing roads.

The initiative in the 17-year war for Eritrean independence has since swung to the government forces, supplied with more than a billion dollars' worth of Soviet military equipment and guided by Soviet and Cuban officers in senior command positions according to reliable sources.

The unsuccessful assault on Keren followed an advance up the road through the mountains from Asmara, where a guerrilla siege was broken on July 28. Another government force is believed to be marching towards Keren from Agordat, 82 kilometers to the west.

The guerrilla reports say the initial round of fighting was bloody, with about 700 government militiamen killed in four massed charges against the guerrilla guns on Monday.

The Ethiopian forces then turned to sophisticated armor, artillery and rocket launchers but by Thursday another 1,500 attackers were dead and the government units withdrew, the EPLF spokesman said.

"It was a massacre," he said. He added that up to 15,000 government troops were committed and the guerrillas destroyed 13 tanks and captured one.

Before the assault on Keren, the EPLF had withdrawn from towns it held since last year.

Its allied organization, the Eritrean Liberation Front (ELF), is said by informed sources here to be demoralized after a string of setbacks in the territory it once controlled in the northwest of the province.

But the EPLF appears to have decided to make its stand at Keren. The town is central

(Continued on back page)



King Khaled cables Suharto, Bongo

TAIF, Aug. 18 (SPA)—King Khaled has sent cables of congratulations to President Suharto of Indonesia and President Omar Bongo of Gabon on the occasion of their countries' independence day.

In his cable to President Suharto Thursday, King Khaled said:

"On behalf of the Saudi people and Government and on my personal behalf, I have the honor to convey to you our cordial congratulations, wishing you health and happiness and the brotherly people of Indonesia further progress and prosperity."

He told President Bongo: "On behalf of the Saudi people and Government and on my personal behalf, I avail myself of the opportunity of your country celebrating its independence to wish you health and happiness and the brotherly people of Gabon further progress and success."

## Carter: Failure of summit could trigger off M.E. war

WASHINGTON, Aug. 18 (Agencies)—President Carter has declared that a new Middle East conflict could flare up if next month's summit between the U.S., Egypt and Israel did not get peace negotiations moving again.

The president delivered his warning at a White House news conference Thursday, on the eve of his departure on holiday.

He called the meeting to be held between himself, Israel's Menachem Begin and Egypt's President Anwar Sadat at his Camp David mountain retreat — a serious political risk with no guarantee of success.

"It is a very high risk thing for me politically, because now I think if we are unsuccessful at Camp David, I will certainly have to share part of the blame for that failure," he said. "But I don't see that I could do anything differently."

"I pray and hope the whole nation and the whole world will pray that we do not fail, because failure could result in a new conflict in the Middle East," the U.S. leader said.

Carter will return from his two-and-a-half week vacation only a day or so before the Sept. 5 summit.

The United States had no advance commitment from either leader to change his position. But Carter said their quick assent to his hand-written invitations this month indicated acceptance of the principles he urged them to observe: A halt to polemics and flexibility at the summit itself.

Meanwhile Syria came out squarely against the Camp David summit with scathing attacks by President Hafez Assad and his Foreign Minister Abdul Halim Khaddam.

"It's a new ambush for the Arab cause," said Assad of the forthcoming Camp David talks.

"Any results of the conference can only be against our interests," Assad told reporters after a meeting Thursday with visiting former Lebanese President Suleiman Franjeh.

Assad's remarks were broadcast by the state Syrian radio two days after Khaddam ridiculed the scheduled summit.

Khaddam said: "Israel has stripped Sadat of all his political clothing since he embarked upon his ill-fated unilateral peace initiative in November."

Syria leads a hardline front in the Arab world that opposes Sadat's initiative.

Assad, however, did not rule out the chances of a negotiated settlement between Arab countries and Israel, "provided the proper conditions and climate are ensured."

He said Arab-Israeli talks could then be held at Geneva.

At the same time ministers began their own preparations for a political debate opening in the cabinet next Sunday to discuss Begin's new proposal for a partial agreement to be incorporated later into a permanent settlement, rather than interim agreements.

Begin announced three days ago that he was "ready to discuss a partial agreement to make way for peaceful relations until we can obtain a treaty" during the Camp David talks.

He said he was referring "to an agreement which would be part of a permanent peace settlement, not an interim agreement which would be only temporary."

Friday a technical committee met in the office of Dr. Eliahu Ben-Eliassar, director general of the prime minister's office. The committee included Maj. Gen. Avraham Tamir, head of planning at army headquarters.

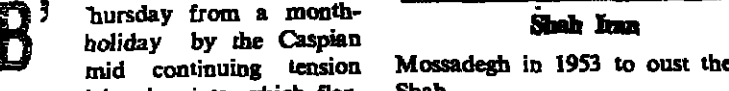
Officials said the partial agreement would be discussed during the Camp David summit.

## Shah vows to continue liberalization program

TEHRAN, Aug. 18 (R)—Shah of Iran has pledged recent riots in which at least 15 people died will not affect his program to liberalize Iranian politics and launch a new system.

The Shah said the riots would not stop the government's program to liberalize Iranian politics and launch a new system.

He said the government would continue its program to liberalize Iranian politics and launch a new system.



Shah flew back to Tehran Thursday from a month-long holiday by the Caspian Sea. He said the riots, which flared up in more than a dozen towns but now appear to be under control, had not affected the government's program to liberalize Iranian politics and launch a new system.

He said the government would continue its program to liberalize Iranian politics and launch a new system.

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## Plot to topple government in Afghanistan unearthed

ISLAMABAD, Pakistan Aug. 18 (Agencies)—A plot aimed at toppling the government of President Nur Muhammad Taraki in Afghanistan has been unearthed, Radio Kabul said Thursday night.

The radio, monitored in Islamabad by Radio Pakistan, said the plot was led by Defense Minister Brig.-Gen. Abdul Qadir. Abdul Qadir and a number of the co-plotters have been arrested, the radio said.

Among several persons arrested with Abdul Qadir was chief of army staff Maj.-Gen. Shah Pur, according to a Friday broadcast.

Several prominent persons are also expected to be named along with those arrested in the alleged anti-government plot as more details come to light.

The radio broadcast said another prominent person arrested during Thursday's swoop down on anti-Taraki elements was Dr. Mir Ali Akbar, chief of the Jumburiat Hospital of Kabul. Both were arrested with Abdul Qadir, according to Radio Kabul.

Taraki has assumed the portfolio of the ministry of defense. Taraki will be assisted in his expanded work by Deputy Prime Minister Hafizullah Amin, the broadcast said.

Abdul Qadir was a major in the Afghan Air Force until April this year. He led the April 27 military coup which toppled then President Sardar Muhammad Daoud. Daoud, several of his family members and a number of cabinet colleagues were killed in the bloody military coup.

Abdul Qadir and his military associates freed Taraki, who had been put in jail by Daoud and was installed as president of the new government. Abdul Qadir survived an attempt on his life soon after the coup. He was injured. The attackers were not identified.

The official communiqué Friday said "the government of the Democratic Republic of Afghanistan took a timely note of the subversive activities of some dishonest elements and has unearthened a plot, wherein a number of dishonest persons were working against the people's interests."

"This group included Defense Minister Brigadier General Abdul Qadir, chief of the army staff, Major General Shah Pur, and chief of the Jumburiat Hospital of Dr. Mir Ali Akbar. All of them have been arrested."

Taraki's government has faced some internal opposition, both from pro-Daoud elements and from rightist religious groups, who oppose the Soviet-backed leftist government of Taraki and his leftist Peoples Democratic Party.

## Bid to reopen Beirut Port thwarted by mortar attack

BEIRUT, Aug. 18 (Agencies)—The peacekeeping command of Arab League forces accused right-wing militiamen Friday of firing two shells into Beirut's sea port to keep the facility closed.

A communiqué also accused rightists of fortifying their military positions and bringing in arms reinforcements in violation of a nine-day-old ceasefire.

Former President Camille Chamoun, over-all leader of the Rightist Front, reported in a public statement that Syrian peacekeeping units were bringing "massive reinforcements of troops and armor" into the capital's eastern sector.

He said the Syrians violated the ceasefire accord by failing to pull out completely from the Christian area and by occupying more high-rise apartments for new round of fighting.

But Chamoun did not deny the peacekeeping command's charge that the rightists fired at the port.

The blasts frightened workers out of the port. The harbor area had been closed since the outbreak of the latest confrontation between Syrian troops of the Arab League and forces of rightists in the Christian sector of Beirut 49 days ago.

The communiqué said the shells, grenades fired from rifles, came from the direction of the Christian sector and that six workers were slightly injured.

The government of President Elias Sarkis has been trying to get all parties involved to agree on reopening the port in a bid to stabilize the ceasefire.

The government has warned that continued closure of the port, once the busiest in the Middle East, could irreparably cripple economic recovery after the civil war.

Rightists, who control the main approaches to the Mediterranean harbor, want to use the reopening of the port as a bargaining card in any future negotiations on a political settlement in Lebanon, informants reported.

They said right-wing leaders believe the ceasefire could be transformed into permanent peace only when an all-embracing political agreement has been worked out on national entente and defining the peacekeepers' role.

Rightists also reportedly want the Beirut port to remain closed so that the harbor of Jounieh, 12 miles north of the capital in rightist areas, would become the substitute.

Reporters and photographers on the scene at Beirut port Friday saw two employees wounded by shrapnel as the blasts sent more than 100 staff members diving for shelter or sprinting out of the port area.

Within 10 minutes the port was again deserted.

It was the second attempt to reactivate the Mediterranean harbor since the latest Syrian-rightist confrontation was halted.

Four mortar shells shattered the first reopening attempt last week. It could not be established in either instance who fired the mortars into the port which has been under the control of militiamen from the Phalangist Party, Lebanon's largest right-wing group.

Pierre Gemayel, leader of the Phalangists, arrived at the port entrance to witness its opening Friday. Fifteen minutes after he left, the mortars landed near the main gate.

The collapse of the new attempt was a setback for efforts by President Sarkis' government to stabilize conditions in post-civil war Lebanon.

It also coincided with a growing strain between the Lebanese government and the United States over stalled attempts to bring South Lebanon's regions bordering Israel

(Continued on back page)

## Saudi-American group expansion begins

NEW YORK, July 28 — The Saudi-American Group, active in announced plans to begin at once active expansion of their term effort to build private enterprise INDUSTRIAL, COMMERCIAL, & REAL ESTATE development projects throughout the Subcontinent.

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## American balloonists complete first trans-Atlantic crossing

PARIS, Aug. 18 (Agencies)—Three jubilant American balloonists landed their "Double Eagle II" airship in a grainfield in Northern France Thursday to climax the world's first trans-Atlantic balloon crossing.

"I did it, dad, I did it, dad," wept crewman Larry Newman on his father's shoulder as he stepped from the craft to the cheers of hundreds of Frenchmen.

The balloonists told a Paris news conference Friday they hoped to balloon around the world in 30 days.

Fifty-one years after Charles Lindbergh's historic New York-Paris solo airplane voyage, the 11-story, 10,550-pound balloon carefully concluded its six-day, 5,000 kilometer voyage at 1750 GMT some 100 kilometers west of Paris, in the fading light of a beautiful summer evening.

"The reason we wanted to come to France was Charles Lindbergh," said Maxie Anderson. "He's an inspiration to many generations of Frenchmen and Americans."

Anderson, 44, Newman, 31, and Ben Abruzzo, 48, all from Albuquerque, New Mexico, were in good health and great spirits after succeeding where 17 other balloon teams had failed. Six men and one woman died trying the trans-Atlantic crossing, first attempted in 1873.

Abruzzo said the global, 30-day project would be expensive but cheaper than, for instance, climbing Mount Everest.

"With the right balloon, we could get to higher altitudes and go round the world in 30 days," he said.

Abruzzo said the idea came to him the night before the crew landed the balloon.

Asked what they had in fact accomplished, Abruzzo said: "There are certain challenges that, if not met from time to time, do not move society forward."

Anderson added that ballooning had begun in France, that men had tried to cross the Atlantic since 1873, "and we came here to complete history, not to make it."

Their flight — a world record for endurance lasting nearly six days — sent a flash of excitement through this nation.

Just as Lindbergh's plane was savaged by souvenir hunters before police rescued it, so the crowds trampled on the balloon. Some people even ripped off pieces of it with knives, said files or even their fingers. Police rolled it up before much damage had been done.

Shortly after they landed President Jimmy Carter sent a telegram of congratulations saying that "individual acts of bravery and skill still capture our collective imagination."

The president also invited them to visit the White House.

The French government, whose Tricolor flew alongside the Stars and Stripes on their balloon as it landed, planned

(Continued on back page)

## Unity mission

### Riad arrives in Kuwait after talks in Baghdad

KUWAIT, Aug. 18 (R)—Arab League Secretary-General Mahmoud Riad arrived here from Baghdad Friday as part of a seven-nation Arab tour aimed at resolving differences over Egyptian President Anwar Sadat's peace initiative.

In Baghdad Riad discussed Arab developments with Saddam Hussein, vice-chairman of the Iraqi Revolutionary Command Council.

The Iraq News Agency quoted Riad as saying he had briefed Hussein on his Arab tour.

Saturday he is scheduled to discuss with Kuwaiti Foreign Minister Sheikh Sabah Al-Ahmad Al-Sabah efforts to restore Arab solidarity and an Arab League meeting expected to be held in Khartoum on Sept. 12, officials here said.

The League meeting was originally scheduled to be held at the League's headquarters in Cairo, but Sudanese President Jaafar Numeiri has proposed shifting its venue to Khartoum to try to secure participation by all Arab countries, including those opposed to Sadat's initiative.

Five militant Arab states — Iraq, Syria, Libya, Algeria and South Yemen — and the Palestine Liberation Organization (PLO) have been boycotting all League meetings in Cairo in protest against Egypt's solo peace approach to Israel.

Riad, who has already visited Saudi Arabia, Syria, Jordan and Iraq, will go to the United

(Continued on back page)

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### CONTENTS

P.2	Local
P.3	Middle East
P.4	International
P.5	Economy
P.6	Editorial
P.7	Features
P.8	Leisure
P.9	Sports
P.10	Guide
P.11	Stocks
P.12	Late News

## 'Giving lead to other states'

## Kingdom's IFAD contribution nearly half agency's capital

RIYADH, Aug. 18 (SPA) — Saudi Arabia's contribution to the International Fund for

## Islamic education planned

TAIF, Aug. 18 (SPA) — The Directorate of Scholarly Research, Fatwa, Propaganda and Guidance has in cooperation with the Supreme Council of the Judiciary, prepared a program for education in Islamic matters during this summer.

It includes a series of seminars and lectures at mosques in Taif. Religious leaders have been appointed for the mosques at the order of the directorate's chief, Sheikh Abdul Aziz ibn Baz and Sheikh Abdullah ibn Hamid.

Agricultural Development amounts to nearly half its capital, according to IFAD chairman Abdul Mohsen Al-Sudairi.

Interviewed by SPA, Sudairi, a Saudi himself, said that the Kingdom had given \$105.5 million of the Fund's \$220 million capital. By so doing, he said, the Kingdom had given the lead to other states.

He added that the Fund, a United Nations specialized agency which the Kingdom had done much to see established, was the embodiment of cooperation between rich and poor countries.

Al-Sudairi reviewed IFAD's efforts in boosting agricultural production, reducing unemployment and checking famine in developing countries.

He pointed out that the fund was the first international

body to have adopted Arabic in its charter as an official working language.

Furthermore, he said, according to the regulations for personnel, Islamic occasions were official holidays for IFAD.

## OIC head arrives in Turkey

ANKARA, Aug. 18 (SPA) — Dr. Amadou Karim Gaye, secretary general of the Jeddah-based Organization of the Islamic Conference arrived here Friday on a five-day visit to Turkey.

He will confer with Prime Minister Bulent Ecevit, the ministers of foreign affairs and culture and other Turkish officials.

## Tanker board to meet in Taif

RIYADH, Aug. 18 (SPA) — The board of the Arab Maritime Petroleum Transportation Company will meet in Taif next month to discuss the state of the company and review its capital.

According to "Al-Jezira," issues to be discussed include the future of the company and a policy that would ensure its future in the international competition in the tanker industry.

The company is an offshoot of the Organization of Arab Petroleum Producing Countries (OAPEC).

The paper was quoting an official from OAPEC's secretariat.

## Barre aide to talk with IDB

JEDDAH, Aug. 18 (SPA) — Dr. Abdul Rahman Herzi, economic aide to Somali President Muhammad Siad Barre, arrived here Thursday for talks with Islamic Development Bank (IDB) officials on increasing cooperation between the IDB and Somalia.

He was met at the airport by IDB President Dr. Ahmad Muhammad Ali and other bank officials.

## Women's colleges to enrol Sept. 17

RIYADH, Aug. 18 (SPA) — Registration for girls colleges and social service higher institutes will begin on Sept. 17. The General Directorate for

RIYADH, Aug. 18 (SPA) — A total of SR2 million has been allocated to boost the activities of the Riyadh Philanthropic Society's 17 branches in the Central Province.

Sheikh Abdul Aziz Al-Salem, the society's secretary general, who announced the news Friday, said that the decision had been taken to assist branch offices in their humanitarian mission.

Prince Salman, the governor of Riyadh and the society's president, has cabled his instructions to the heads of branch offices to form committees for helping deserving families during Ramadan, Salem added.

The Philanthropic Society of the Eastern Province has received further subscriptions from members.

They include SR50,000 from Sheikh Ibrahim Abdullah Al-Samhan, SR25,000 from Sheikh Abdul Rahman Muhammad Abdul Karim, SR25,000 from Tamimi and Fuad Company, SR10,000 from Jamil Trading Establishment, SR10,000 from Dr. Afif Abdul Wahhab, Al-Sharq Hospital, Al-Khobar, SR7,000 from Sheikh Abu Bakr Bilhaddad, SR5,000 from Sheikh Muhammad Abdul Aziz Al-Khazim, SR5,000 from Saleh Ahmed Al-Dukair, SR5,000 from Sheikh Saud ibn Abdullah Al-Shuwei and SR1,000 from Said Bazqama.

Meanwhile, further donations received by the society include SR101,000 from Muhammad and Abdullah Ibrahim Al-Subaie, SR50,000 from Sheikh Abdul Aziz Al-Arif, SR50,000 from Sheikh Ibrahim Al-Juffali and Brothers, SR50,000 from Sheikh Abdullah Said Bugshan and Brothers, SR20,000 anonymously from Taif, SR100,000 anonymously from Riyadh and SR5,000 anonymously from Dammam.

The Governor of Eastern Province, Prince Abdul Mohsin ibn Jalawi, who is also president of the society, has sent letters of thanks and appreciation to all the donors and subscribers for their act of kindness. Meanwhile, it was announced Thursday that the Committee for the Release of Bankrupts has donations totalling \$5 to help in the release of prisoners, it was announced here Thursday.

## To boost branch activities

## Riyadh charity allocates SR2 million

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السعودية



# Arafat, Tlas assert solidarity of Syria with Palestinians

DAMASCUS, Aug. 18 (R) — Palestinian commander Yasser Arafat Friday described the Syrian capital as the Hanoi of the Palestinian revolution.

And Syria's deputy commander in chief of the armed forces and defense minister, Maj. Gen. Mustafa Tlas, compared

his country to North Vietnam. He said Damascus was a solid base of the Palestinian commando movement.

Arafat and Gen. Tlas were speaking at the graduation near Damascus of about 1,000 young Fatah guerrillas, all aged 15 and under.

The theme of the speeches was solidarity of the armed struggle between Syria and the Palestinian commando movement as the ideal method to recover Arab territory and Palestinian rights.

Arafat, leader of the Palestine Liberation Organization (PLO), is also head of Fatah, the biggest commando group.

Arafat said: "From this land — the land of Saladin (Syrian President) Hafez Assad, the Palestinian revolution and the Arab nation... we affirm to (President) Carter, (Israeli Prime Minister Menachem) Begin and hirelings in the Arab homeland that we shall not kneel and will not enable them

to liquidate the Palestinian revolution. We are marching to victory."

Praising Syrian-Palestinian solidarity, Arafat added: "This solidarity is historical, national and pan-Arab. Damascus is the Hanoi of the Palestinian revolution."

There were many conspiracies against Palestinians, he added.

## Jalloud, Zia hold 2-hour meeting

ISLAMABAD, Aug. 18 (AP) — Libyan Vice President Abdul Salam Jalloud had more than two hours of discussions with Pakistani head of government Gen. Muhammad Zia ul Haq.

Jalloud and his 50-member entourage flew into Islamabad Tuesday for a three day visit to Pakistan.

Official sources said the talks were held "in an atmosphere of cordiality and friendliness." The talks covered "mostly the bilateral relations, particularly economic cooperation between Libya and Pakistan."

## Two Greeks defect to Turkey

KUSADASI, Turkey Aug. 18 (R) — Two Greek soldiers who crossed into Turkey from the Greek island of Samos were questioned by authorities in this resort town Friday, the local public prosecutor said.

Prosecutor Aygun Sogali said Konstantinos Mavrountis and Teodoros Yanilus, both aged 20, who crossed the few miles from Samos to the Turkish coast by boat early Thursday had said they intended to apply for asylum in Turkey.

# Syria: Israel's expulsion from U.N. is not far away

GENEVA, Aug. 18 (Agencies)—Syria has warned that Israel's expulsion from the United Nations was "not far away" and called for the international economic sanctions currently in force against Rhodesia to be applied also to the Zionist state.

In a statement to the conference to combat racism being held here, the Syrian ambassador to the United Nations Geneva office, Dia-Allah el Fattal, said his country was "reassured that the day when the international community will deprive Israel of its membership in the United Nations is not far away."

He also said Syria felt confident that U.N. member states "will not fail in imposing upon Israel sanctions" laid down by the U.N. Charter.

Israel has joined the United States in boycotting the 10-day conference because of the 1975 resolution adopted by

the U.N. General Assembly equating Zionism with racism.

Fattal said many states and individuals at the U.N. conference considered it an offense to ideals of justice that "the issue of Zionism is being on purpose evaded" at a time when Israel had publicly announced new Jewish settlements on Arab lands and property.

## U.S., Israel sign new air agreement

WASHINGTON, Aug. 18 (AP)—The United States and Israel have signed a new civil aviation agreement that is expected to lead to lower air fares between the two countries and will allow Israel's chief airline to land in four more U.S. cities.

The agreement grants Israel two new landing points of its choosing in the United States, in addition to New York where El Al airliners currently land. Israel will pick another two cities after one year.

U.S. officials said it was their understanding that Israel would choose Chicago and Miami as landing points immediately and Boston and Los Angeles in one year.

Israeli officials, however, have not officially announced which cities they will pick.

The agreement, signed by Deputy Secretary of State Warren Christopher and Israeli Ambassador Simcha Diniz, also provides for unrestricted charter flights for airlines of both countries.

Christopher said the agreement will lead to a 28 per cent cut in the cost of flights by El Al airlines, to and from the United States.

Diniz believed this was the most liberal air agreement ever.

# Two bombs discovered in Tel Aviv

TEL AVIV, Aug. 18 (AP) — Two homemade bombs were discovered under cucumber stands in Tel Aviv's Carmel market Thursday.

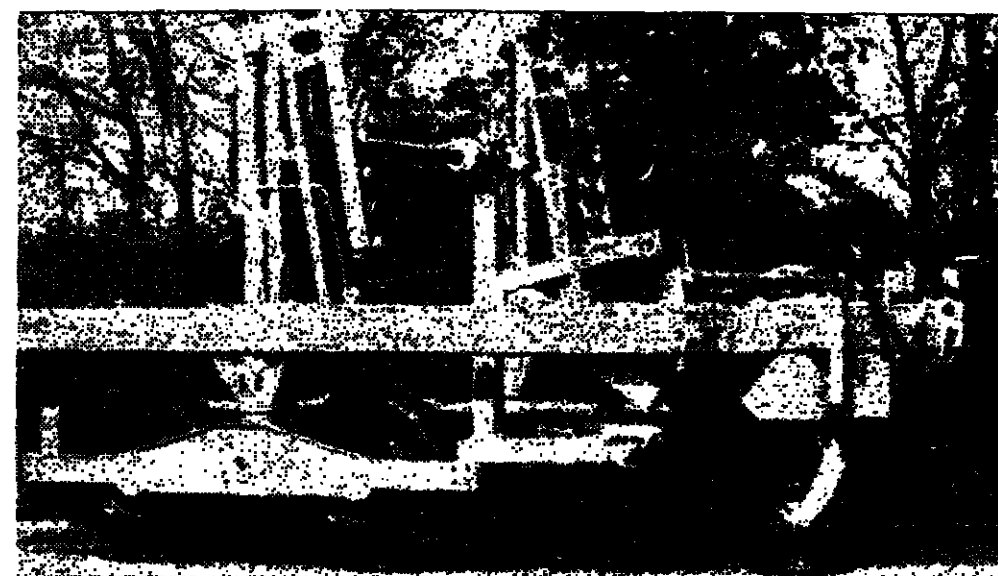
A police spokesman said he believed the devices, planted

in cigarette packages, were placed by Palestinian commandos, and "not by underworld elements settling a private score."

Two weeks ago one man was killed and 48 persons injured when a homemade bomb exploded under a stand selling clothing in the open air market.

The Palestine Liberation Organization command in Beirut claimed responsibility for that blast.

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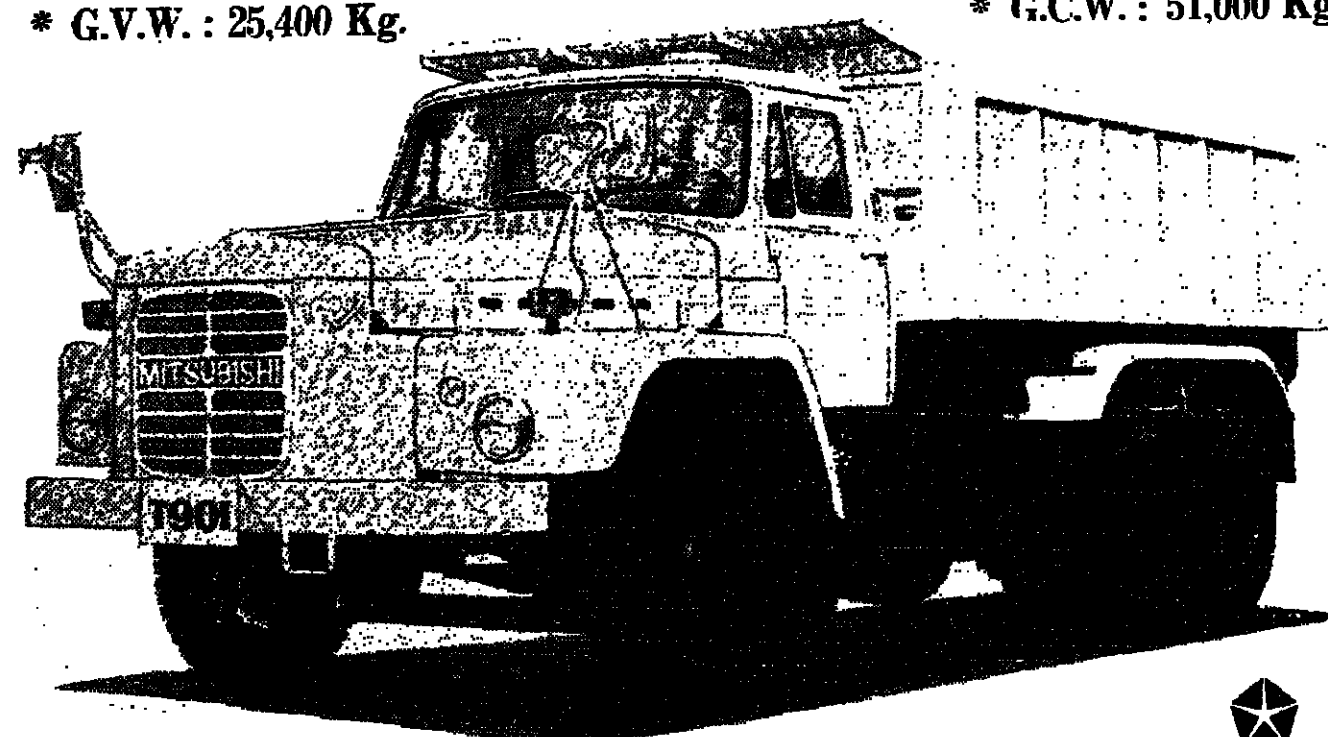
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## Croatians free six hostages after 10-hour Chicago siege

CHICAGO, Illinois Aug. 18 (UPI) — Two Croatian terrorists burst into the West German Consulate Thursday and took eight persons hostage at gunpoint, but surrendered unconditionally 10 hours later and released their six remaining prisoners unharmed.

The Croatians, both reportedly living in the Chicago area, had demanded the release of their countryman Stepan Bilandzic, recently convicted in Germany of the attempted murder of a Yugoslav diplomat.

The surrender came shortly before 8 p.m. (4 a.m. Saudi Time), in the building on posh Michigan Avenue. The terrorists, well-dressed men identified only as "Mike" and "Cloba," were whisked away in a police car into the custody of the FBI.

One of the key negotiators, police said, was Bilandzic's brother

Ivan, also reportedly living in the Chicago area. Chicago Mayor Michael A. Bilandzic — who is himself of Croatian descent — was present during the last two hours of negotiations but did not directly participate.

Ivan Bilandzic was brought in "to convince them they should surrender" in face-to-face negotiations, police said. Police Lt. Dave Mozee said earlier reports were false that the two terrorists were armed with explosives, but said they had automatic weapons, believed to be revolvers.

Several dozen Croatian supporters waved a three-striped red-white-and-blue flag, shouted slogans and sang songs across the street during and after the announcement of surrender. At least two men and a woman periodically waved during the negotiations from the 10th

floor window to the crowd that had gathered across Michigan Avenue.

The occupation of the 10th floor consulate offices began at 10 a.m. when the two men, brandishing guns and carrying what they claimed was a bomb, burst in.

They soon freed two of the hostages, one of them the 16-year-old daughter of the consul and the other a man of 80.

But they kept the others prisoner under threat of death while they bargained for the release in West Germany of Stepan Bilandzic, reportedly the head of the Croatian People's Resistance Movement.

The organization has engaged in attacks throughout the world in pursuit of independence for Croatia from Yugoslavia. Bilandzic was recently convicted in Germany of the attempted murder of a Yugoslav diplomat.

He was slated for extradition to Yugoslavia, where he faced a possible death sentence.

The occupation called into play top experts of the State Department in Washington and of the FBI in Chicago. Constant communications were maintained in Washington with Bonn and Belgrade.

Taking part in the Chicago negotiations were a top attaché of the West German embassy in Washington and Ivan Bilandzic, Stepan's brother.

A special FBI team, unarmed, was engaged in face-to-face negotiations with the invaders through most of the day.

A small army of Chicago police gathered on the floors below the consulate and on the sidewalk outside. A cordoned crowd of hundreds of Chicagoans gawked.

When the end came, the handcuffed gunmen were hustled out a rear elevator by six police officers and FBI agents.

## EX-CIA man arrested for spying

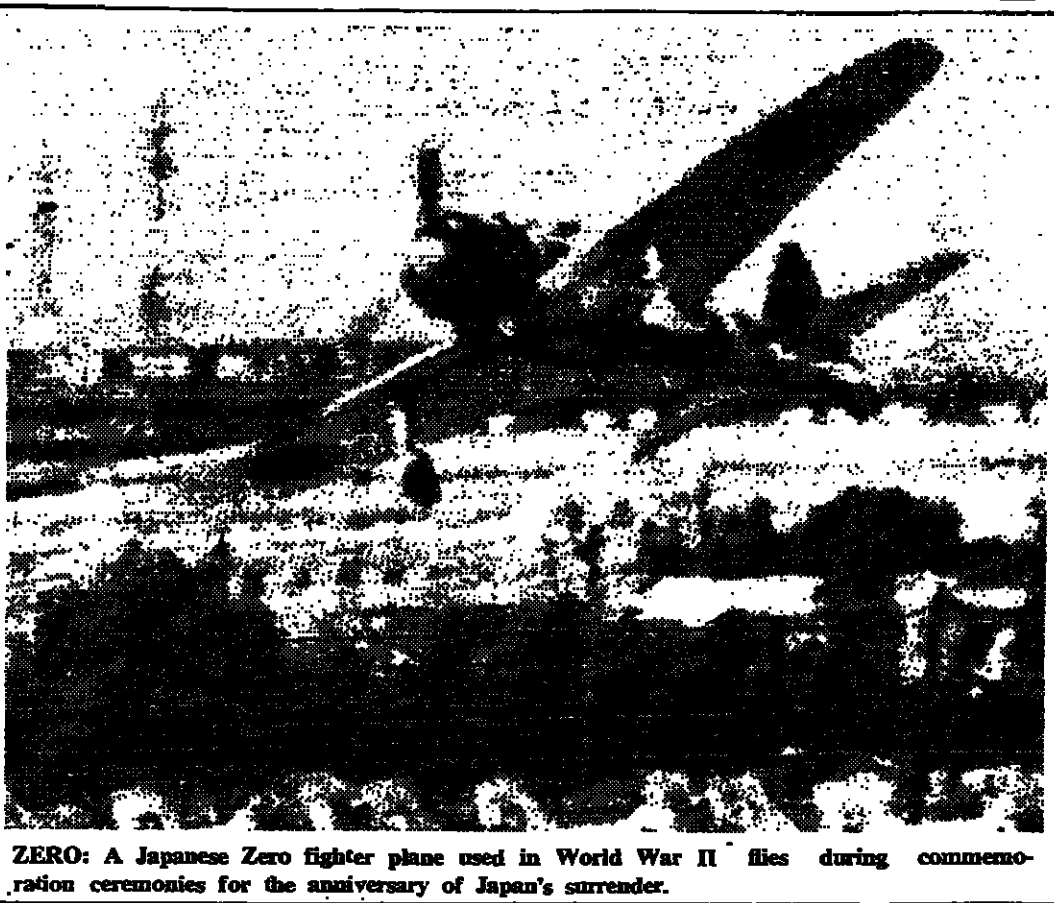
WASHINGTON, Aug. 18 (AP) — A 23-year-old former U.S. Central Intelligence Agency employee has been arrested in suburban Chicago on charges of delivering a national defense document to the Soviet Union.

William P. Kampiles, a sales representative for a drug company in suburban Chicago, was arrested on the basis of a complaint filed before a U.S. magistrate in Chicago, the FBI said, adding that Kampiles was charged with giving the Soviets a document relating to the national defense entitled, "KH-11, System Technical Manual" which was classified top secret.

The FBI complaint alleged that Kampiles gave the document to a Soviet by the name of "Michael" on or about March 2, 1978, in Athens, and was paid \$3,000.

Kampiles was employed as a watch officer for the CIA from March to November 1977.

He allegedly took the document from CIA headquarters while working there and kept it when he moved to Chicago.



ZERO: A Japanese Zero fighter plane used in World War II flies during commemoration ceremonies for the anniversary of Japan's surrender.

## Memphis police, firemen vote to accept two-year contract

MEMPHIS, Tennessee, Aug. 18 (AP) — Some 1,100 striking Memphis policemen voted Friday to return to work under terms of a two-year contract that would end a walkout which kept the city under a curfew for a week.

Some 1,400 firemen voted in separate meetings to accept the agreement, reached earlier in negotiations between the AFL-CIO and chamber of commerce. The chamber represented

the city in the talks. Union leaders said the contract guaranteed no penalties for the strikers.

Some 1,100 patrolmen and sergeants struck August 10 after rejecting the city's wage package. Firefighters joined picket lines Monday, resuming a strike that was interrupted by a court's back-to-work order July 4.

Both unions are under court orders to end the strikes, but

neither order has worked. The city had asked Chancery Court to cite the unions and their leaders for contempt.

National Guardsmen with automatic rifles again accompanied non-striking police officers in patrol cars cruising the streets Friday.

Guardsmen are also on duty at fire stations.

The curfew has cut deeply into the revenue of such businesses as restaurants, lounges and theaters, which depend on night trade.

The strike has been blamed for cutting the number of tourists in town for observations connected with the first anniversary of Elvis Presley's death. Presley died a year ago Wednesday, and thousands of tourists from the United States and many foreign countries were in Memphis.

## 3 S. African policemen deny charges of murder

DURBAN, South Africa, Aug. 18 (R) — Three South African policemen pleaded not guilty Friday to charges of murdering a black detainee and assaulting another last month.

The three — two whites and a black — appeared in a magistrate's court at Mbabane, near Durban.

The indictment against the

policemen includes allegations that they struck Paulos Cane and Thomas Mazolo with a whip, hung them for a roof beam by wire and trampled on them.

## WORLD ROUND UP

• SAN FRANCISCO: Richard Helms, the United States' former number one spy master, has a new job as a consultant to a firm with worldwide business dealings, according to a published report. The "San Francisco Chronicle" quoted an unidentified spokesman for Bechtel Corporation as saying the former Central Intelligence Agency director has joined the firm. The spokesman said Helms, 65, will provide consulting services "relating to Iran and the Middle East."

74. Cozzens died of pneumonia, Aug. 9 at Stuart Memorial Hospital in Stuart, Florida, according to his publisher, Harcourt Brace Jovanovich Inc.

• MONTREAL: A bus carrying 41 children home from a camping trip swerved out of control Thursday on a rain-slick highway 40 miles north of Montreal and rolled over several times. Police said three children were killed and an unknown number injured.

• LOS ANGELES: Firefighters extinguished a blaze in the local Democratic Party headquarters Thursday, minutes after a man claiming to represent the Jewish Defense League telephoned the Associated Press to claim responsibility for the firebombing. No one was in the building at the time of the fire.

• WASHINGTON: The United States, three major aerospace companies have agreed not to make any bribes or kickbacks to get business abroad, the U.S. Federal Trade Commission said Thursday. The agreement, the first use of federal antitrust laws to attack allegedly illegal foreign payments by American firms, involve the Boeing Company, Lockheed Corporation and McDonnell Douglas Corporation.

• NEW YORK: James Gould Cozzens, whose World War II novel "Guard of Honor" won the 1949 Pulitzer Prize for fiction, has died at the age of

## Soviet court drops case against two American reporters

MOSCOW, Aug. 18 (AP) — A Soviet court dropped its case against two American reporters Friday, saying widespread publicity has made retraction of a "libelous" story unnecessary.

But Judge Lev Almazov said he would inform the Soviet Foreign Ministry he considered the conduct of reporters Craig R. Whitney of the "New York Times" and Harold D. Piper of the "Baltimore Sun" "disrespectful to the court."

Both reporters have stayed away from the court hearings on their case. Neither was present Friday, although they were represented by Soviet-lawyer David M. Axelbant.

Almazov's action leaves open the possibility the Foreign Ministry could take some action against the reporters. A prosecutor had asked that the ministry remove their press accreditation, a move that would mean they would have to leave the country.

Almazov said he was discontinuing the case after the plaintiff, the Soviet Committee on Radio and Television, said it was no longer demanding the retraction because its honor had been vindicated by news coverage of the case.

Whitney and Piper were found guilty at a July 18 hearing of slandering Soviet television in stories they wrote casting doubt on the authenticity of the televised confession by Georgian dissident Zviad Gamsakhurdia.

They were ordered to print retractions and to pay fines and court costs. Their newspapers refused to print retractions, but have paid the fines and court costs.

Almazov quoted the plaintiffs' letter as saying that because of wide publicity in the press, including the "New York Times" and "Baltimore Sun" themselves, "the world public has had an opportunity to see for itself that the articles by Piper and Whitney were libelous and that Gamsakhurdia's confession was genuine and voluntary."

Gamsakhurdia testified at the July 18 hearing, saying his confession was not a misrepresentation of his views, as Whitney and Piper had suggested.

Because of the publicity, the

letter said, the printing of a retraction would now be "irrelevant."

Piper told correspondents after the hearing that he was delighted the court proceedings had come to an end. "I do not feel this is a method that can be used too often," he said.

"If every time a correspondent writes something that the authorities do not like he is brought into court, it would end up making the Soviet Union look ridiculous."

Whitney said, "I am glad that the case is finally over although I deplore the fact that it went so far."

"It is important that a Soviet court has failed to dictate to American newspapers what they may print in the U.S. I hope the way this has ended will discourage any attempt in future to use the same methods against the correspondents of any country."

Almazov told the courtroom, where only Western reporters were in attendance, that he would have proceeded with the case if he had not received the letter from Soviet Radio and Television.

Two court-imposed deadlines passed this summer with the "Times" and the "Sun" refusing to print the court-ordered retractions.

But the newspapers paid fines levied by the court of 50 rubles (\$73) each and court costs totalling 2,283 rubles (\$3,424).

## Hundreds feared drowned in Indian flooding

NEW DELHI, Aug. 18 (AP) — Hundreds of persons reportedly have drowned as large areas of 10 Indian states have been flooded this week following prolonged monsoon rains.

In the northern state of Uttar Pradesh, the worst hit, floods have caused an estimated damage of \$168 million, to roads, buildings and crops. More than 250 persons reportedly have drowned.

While other states were still preparing estimates of the damage caused by the floods, Uttar Pradesh has already requested the central government to provide \$94 million to repair roads, bridges, communication lines and to furnish seed and pesticides to farmers whose crops were destroyed.

## At U.K. research plant

### More workers suspected of radiation overdoses

LONDON, Aug. 18 (AP) — Nine more workers at Britain's atomic warfare research plant have apparently received overdoses of radioactive plutonium, the Ministry of Defense has said.

The statement followed positive overdose results Tuesday on three women who worked in the laundry of the establishment at Aldermaston, 30 miles west of London.

In none of the cases there is evidence of physical harm, said the ministry.

The standard exceeded is the International Commission on Radiological Protection's recommended limit, an official said, but he could not say what actual dose of radiation this represented.

The nine men found Wednesday to be apparently contaminated have been withdrawn from all contact with radioactive materials pending further

tests to verify the findings of "whole body monitoring."

"Whole body monitoring," a practice instituted this year, has been used on 90 persons so far, the official said, and results on 78 of them have been negative.

In the case of the men, "even at the worst estimated levels, there is not likely to be any harmful effect."

The men worked in various parts of the plant.

The women are not believed to be in any danger either, the ministry said Tuesday, although plutonium levels concentrated in their lungs were twice the internationally recognized safety levels.

Because of the discovery the laundry, which washes the protective clothing worn by research workers, has been closed down and the women given jobs in safer areas.

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# U.S. discount rate increased to 7.75%

WASHINGTON, Aug. 18 (AP) — The Federal Reserve Board Friday fired the shot in America's attack on inflation by raising its discount rate 5 per cent from 7.25 per cent to 7.75 per cent.

The discount rate is the rate the Federal Reserve, the U.S. central bank, charges member banks when they borrow from it. The rate is effective from August 14 and will be raised to 8.25 per cent on September 11.

The discount rate is no longer a significant factor in influencing U.S. interest rates. But it gives the best indication of the Fed's thinking in interest rates.

Increasing the discount rate is the board's latest move to push interest rates higher, making the dollar a more attractive currency by offering a better return than they can get elsewhere.

The Fed said the action taken "in view of recent developments in foreign exchange markets as well as continuing serious domestic inflationary pressure."

President Carter has told Chairman G. William Miller, Treasury Secretary, to continue to devise ways of stopping the decline of the dollar on world foreign exchange markets.

The discount rate was last raised on July 3 when it was raised to 7.25 per cent from 6.75 per cent.

Bern, the Swiss government, Thursday announced it is taking new action to slow appreciation of the Swiss franc against the dollar and other major Western currencies. It is said to pose a threat to Switzerland's economy.

A communiqué issued after a 70-day cabinet meeting expressed "great concern" at the development and said the Swiss franc's rise "not in relation with economic realities."

London, the dollar market in money markets, Friday amid nervous reaction to

Carter's pronouncement of "deep concern" about the American currency's future.

The dollar, which has plummeted in value against other currencies in recent months, in some cases held its own despite widespread disappointment with Carter's failure to announce specific measures to prop up the dollar at his Washington news conference Thursday.

But the overall reaction to Carter's statement was "wait and see."

The dollar closed in Tokyo at 186.025 yen, up almost one yen from Thursday's close, but only after Bank of Japan intervention amid disappointment at Carter's statement.

## Sudan rations fuel

KHARTOUM, Aug. 18 (AP) — Heavy rains washed out the railroad tracks linking Port Sudan with the capital Khartoum and other regions of Sudan forcing the government Friday to ration fuel.

A government decision said private cars would be allowed five gallons of fuel every three days and public vehicles would have double that amount.

A combination of heavy rains and limited hard currency has caused on and off fuel shortages in Sudan for the past three years.

Sudan imports its fuel from Iraq and Kuwait and has been bartering cotton for oil with Egypt. But a hard currency shortage is causing irregular fuel imports.

Fuel, like other supplies imported at Port Sudan, is distributed throughout the country by railroad. But recurrent rail washouts during the rainy season has aggravated fuel shortages and led to long lines at gas stations in Khartoum, 400 miles southeast of Port Sudan.

The fuel shortage is also adversely affecting agriculture and irrigation, mechanized in many parts of Sudan. One of the areas most affected is Gezira, in central Sudan, where the government owned cotton plantations are the backbone of the country's economy.

Autumn is the rainy season in Sudan. When it started about three weeks ago some 100 villages were completely destroyed and 500,000 persons made homeless as a result of subsequent floods. Also, 1.5 million acres of the 2.2 million cropland were destroyed.

# W. German oil imports decline 18.9 per cent

BONN, Aug. 18 (AP) — West German oil imports declined 18.9 per cent to 9.6 billion barrels worth about \$4.9 billion in the first half of 1978 compared with the same period in 1977, the economics ministry said.

The ministry said oil imports totaled 43.8 million tons down 8.3 per cent from 47.8 million tons in 1977.

In the first six months of 1978, the oil imports share of the country's 120.373 billion marks (about \$60.187 billion) in imports fell to 7.9 per cent from 10.1 per cent of the first half of 1977.

Imports from Arab oil-producing countries declined disproportionately. On a value basis, oil imports from Arab lands totaled 5.6 billion marks, off 27.0 per cent from 7.7 billion marks in the year-ago period. On a volume basis, oil imports from Arab lands were off 18.3 per cent at 25.4 million tons from 31.1 million tons in the year-earlier period.

Because of the sharp decline in Arab oil imports, West Germany registered a trade surplus of 1.208 billion marks in the 1978 first half against a deficit of 307.4 million marks in the year-ago period.

Excluding oil imports, West Germany's trade surplus with Arab countries narrowed to 6.830 billion marks in the 1978 half from 7.392 billion marks in the same period last year.

# French tycoon, Boussac, loses textile business

PARIS, Aug. 18 (R) — French textile tycoon Marcel Boussac, 89, who recently sold his string of racehorses and a Paris daily newspaper in an attempt to save his business empire, has lost the battle.

He agreed Friday to hand over control of his textile business, including the Christian Dior fashion house, to another industrial group — a move ordered by the Paris Commercial Court.

Last May the same court granted a three month moratorium on debts of the Boussac group — 837 million francs (about \$170 million).

Main shareholders of the Agache-Willot group taking over remaining industrial holdings of Boussac that once made him reputedly the richest man in France are the four brothers Antoine, Bernard, Jean-Pierre and Régis Willot. Their interests range from textile to department stores.

It was only last June that Boussac, whose 21 plants in the textile industry earned him the title "king of cotton," threw his personal fortune into the battle to save the crumbling empire.

It included the blue blooded string of racehorses — among

# Iran hopeful to locate own uranium deposits

TEHRAN, Aug. 18 (R) — An Iranian government minister has reported hopeful prospects in Iran's efforts to locate its own uranium deposits to fuel the country's big nuclear power program.

"We have very optimistic and hopeful information about what is going," Information and Tourism Minister Darius Homayoun told a press conference. He gave no details of progress in Iran's three-year-old uranium prospecting program scheduled to last another seven years.

He confirmed recent statements by informed sources here that agreements on nuclear safeguards had recently been reached with the United States and Australia, but said neither had yet been signed. Negotiations have centered on ways of preventing reprocessing of spent uranium fuel from Iranian reactors.

Iran is expected to buy about 15,000 tons of uranium from Australia in the 1980's provided a safeguards agreement is signed.

U.S. companies are expected to supply six or eight nuclear power plants for the Iranian program, under which 23 plants are to be built by the end of this century. West German and French firms are currently building the first four plants.

# Texaco: Oil struck in test well

NEW YORK, Aug. 18 (AP) — Texaco Inc. said Friday it had found a small amount of oil in its exploratory well in the Atlantic Ocean 160 kilometers off New Jersey.

The company also said it had located an additional source of natural gas in the well, which produced the first natural gas strike off the U.S. east coast Sunday.

The company said the oil found in the well was not of a very high quality, but a spokesman said, "it's an indication there may be something else."

"It's a bonus actually," he said. "We weren't expecting it." The discovery was made at a depth of 3,900 meters in the 4,500-meter deep well.

## Saudi Arabian Government Tenders

Authority	Description	No. of Tender	Price SR	Closing Date
* Directorate General of Telegraph and Tel., Mecca	Fencing round a plot of land in Khleis	1/98/99	50	Sept. 18
* Municipality of Al-Namas	Sanitation equipment	1	Free	Sept. 12
* " " "	Stationery	2	"	"
* " " "	Printed material	3	"	"
* " " "	Fuel and car requirements	4	"	"
* " " "	Servicing of vehicles	5	"	"
* Ministry of Education	Securing of medicines and chemical materials	177	300	Oct. 14
* Directorate General of Municipal and Rural Affairs, Western Province	Illumination of King Abdul Aziz and King Faisal streets in Turabah	xx	1000	Sept. 9
* Municipality of Bureidah	Dumping of abandoned wells in Bureidah and surrounding villages	xx	xx	Sept. 16
* Municipality of Medina	Securing of fuel for the municipality's vehicles and machinery for 78/79	1-98	20	Sept. 9



## Dammam Port Management

August 18

### Vessels alongside & discharging:

Berth No:	Agents	Cargo
1 GRAND APOLLO	S.E.A.	GEN/STEEL
4 NGOMEI CHAU	U.E.P.	GENERAL
6 ARYA DAD	A.E.T.	STEEL
7 MALDIVE ENSIGN	ORRI	GEN/RICE
8 GERMANIC	U.E.P.	GEN/CONTAINERS
9 MINI LEAF	O.C.E.	LOADING UREA
11 CODAN	KANOO	SHEEP
12 IBN AL BEITAR	KANOO	GEN/CONTAINERS
13 MALDIVE SEA	U.E.P.	RICE
16 AMSTELDEEF	KANOO	BUILDING MATERIALS
18 GOLDEN FORTUNE	ORRI	GENERAL
19 CITY OF CANTERBURY	KANOO	LOADING EMPTY CONTS
20 UNION ENTERPRISE	A.E.T.	M.CEMENT
21 KOHE KOHE	ALIREZA	BULK CEMENT (D.B.)

### Small Craft Pier:

BARGE ON-116	BARBER	STEEL
ASEAN PROGRESS	KANOO	CONTAINERS
BARGE-L-34	U.S.M.S.	HOUSES

### Vessels Working At Anchorage:

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MALDIVE ENERGY	ORRI	GENERAL
CHI CHANG	S.E.A.	C.CEMENT

### Recent Arrivals:

CODAN	KANOO	SHEEP
GERMANIC	U.E.P.	GEN/CONTAINERS
NGOMEI CHAU	U.E.P.	GENERAL

### Vessels Expected within 24 hours.

CITY OF YORK	KANOO
WILHELM SCHULTE	KANOO
IBN DURAIID	KANOO
STRATHARDLE	KANOO
STRATHMEIGLE	KANOO
ARDEN HALL	KANOO
JILFAR	KANOO
FINLANDIA	KANOO
HUAL TROTTER	KANOO
OCEAN PRIMA	A.E.T.
VEGESACK	ORRI
PRESIDENT MONROE	S.A.I.T.E.

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## Economic Briefs

BRUSSELS: The nine European Common Market nations sharply improved their balance-of-payments situation with third countries in 1977, boosting exports to petroleum producing countries, the Soviet Union and the Third World, according to an EEC statistical office study issued Friday.

BONN: Nikolaus Fasolt, successor to federation of German industry President Hanns Martin Scheyer, resigned Friday in the wake of a tax fraud conviction. Scheyer had been kidnapped and slain by terrorists.

TOKYO: — The trade conference, an advisory body on trade, to Prime Minister Takeo Fukuda, Friday urged the government to try to stabilize the value of the yen. The conference, composed of representatives from industrial, banking, and trade fields, met in Tokyo.

## SAMA exchange rates

JEDDAH, Aug. 18 (SPA) — The Saudi Arabian Monetary Agency announced Friday the following foreign exchange rates based on the average rates on the London money market and the official price of the U.S. dollar.	
It said that 0.25 per cent is charged by the banks on sums less than \$100,000 and 0.375 per cent on sums in excess of \$100,000.	
Currency	Price
U.S. dollar	3.33
Pound sterling	6.48
Deutschmark	1.68
Swiss franc	2.02
French franc	0.77
Japanese yen (100)	1.77
Canadian dollar	2.93
Belgian franc (10)	1.07
Dutch guilder	1.55
Italian lire (100)	0.40

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\* FURNISHED APARTMENT: Renders you small furnished apartment with good service.

## Jeddah Port Management

August 18

### Vessels alongside & discharging:

Berth No:	Agents	Cargo
3 ROMEN ROLLAN	A.E.T.	GENERAL
5 BEN MAJID	ALSAADA	STEEL BUNDLES
6 TRANSCOLORADO	GULF	VEHICLES
7 SAUDI PRINCE	O.C. TRADE	GENERAL
8 UNION ALASKA	ORIENTAL	PLYWOOD/GEN./CND./
		GOODS
9 BARGES EX (ROBERT E. LEE)	A.E.T.	FLOUR/RICE/GENERAL
10 NURIA ALSENA	BARBER	STEEL BARS
12 KOMESHIMA MARU	STAR NAV.	FRUITS
13 MITERA STELLA	S.E.A.SIA	BAGGED CEMENT
14 SUNSHINE ISLAND	ALATAS	PLYWOOD/LUB OIL/ GEN.
15 FRANCA	RED SEA	SUGAR/COCONUTS/IRON
		SHEETS
16 SPAIN	MEDCO	CONTAINERS
18 HYPERION	ROLACO	BULK CEMENT
20 FILIPINAS SAUDI 1	ORRI	HOTEL SHIP
21 ASSEBURG	M.E.S.A.	FRUITS
22 ELLI 2	A.A.	BAGGED CEMENT

### Cement Pier:

S SANTA MARTA	ABUHASHISH	FROZ. CHICKENS/FRUIT
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### North Ext: Wallins:

A VICTOR	O.C.E.	FROZ. CHICKENS
C LADON	BAROOM	REBARS
D MINI LAKE	ROLACO	BAGGED CEMENT
B GOLDEN PHOENIX	ORRI	CEMENT/TIMBER/GEN.

### Ro-Ro Berth:

ABHA	RED SEA	RO RO
TOR BELGIA	FAYEZ	CONTR./TRAILERS

### Barges

PEP COMET	BARBER	BAGGES RICE
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TONNAGE DISCHARGED: 44,086  
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## Iraq and the West

By J.P. Smith  
Last of a Series

**BAGHDAD—**At the height of this spring's war between Ethiopia and Somalia, Soviet Ambassador Anatoly Barkovsky was abruptly summoned to the Iraqi Foreign Ministry.

Foreign Minister Sadoun Hammadi bluntly told the Soviet envoy that Soviet planes were not to use Iraqi airfields—or even fly through Iraqi air space—in resupplying Cuban forces fighting on the Horn of Africa.

The incident illustrates the mounting strains in Iraq's relationship with Moscow, and Baghdad's growing determination to act strictly in what it views as its own self-interest.

As the first of what may ultimately be hundreds of billions of petrodollars begin flowing into the country's treasury, the government's vision of Iraq's future—and its role in the world—has started to change.

The government has already embarked on a series of long-range adjustments that have produced some short-term paradoxes in Iraqi foreign policy.

—While Iraq remains bound by a 15-year friendship treaty with the Soviet Union, Baghdad appears increasingly eager to obtain the trade and technological benefits that can only flow from closer ties with the United States.

—While Iraq continues to ritualistically rail against Zionism, Baghdad seems to be losing interest in the dream of using the Palestinian issue to unite the Arab world in one nation stretching from Morocco to the Euphrates.

—Baghdad has begun to think of itself as a wealthy oil state—a country with many of the same concerns and vulnerabilities as the petroleum-rich Arabian Gulf states.

All of these signs of change remain tentative and, to some of Iraq's neighbors, still a bit suspect as well.

Nobody really expects Iraq to change overnight. Baghdad, itself makes it clear that change will come slowly.

The Iraqis, for instance, feel Egyptian President Anwar Sadat hurt only his own country by abruptly severing his ties with the Soviet Union. Baghdad is not likely to do the same.

But money—big money—and the tantalizing prospect of sharing in the Gulf's prosperity is having its impact on the Iraqi government's perspective.

The transformation of Iraq from an international borrower that had to borrow money from the Saudis just four years ago to a country that could ultimately prove the richest in the Middle East has plainly got Baghdad rethinking its future.

That would not appear to be particularly good news for the Soviet Union.

Baghdad's relationship with

Moscow has been based from the outset on the Soviet's willingness to supply Iraq—at a time when its credit rating was not very high elsewhere—with large numbers of tanks and warplanes.

Since striking it rich on oil, however, Iraq has quietly shifted almost half of its military purchases to the West.

While taking care to get caught in the spare-parts squeeze that crippled Egypt's military following Sadat's break with Moscow, Iraq has been negotiating with France to purchase sophisticated Mirages and Crotale surface-to-air missiles.

One reason for this turn toward the West lies in a severe Iraqi disenchantment with things Russian.

After nationalizing the facilities of the Western oil companies operating in Iraq in 1972, Baghdad signed an agreement for technical assistance with the Soviet Machine Export Organization.

"The Iraqis ended up with a pile of cast iron drilling bits and strings of broken pipe," said a Western oil company executive.

Today, with cash in the bank, Iraq is determined to buy the best. Declares Minister of Information Saad Qassem Hamoudi: "Iraq intends to catch up with the latest technology—whatever the sources may be."

The impact of the economic pragmatism is already clear. Since oil prices quadrupled in 1973, Iraq's imports from the Soviet Union, Eastern Bloc countries and China have dropped from 25 to about 9 percent while imports from the United States are up ninefold.

A continuation of this policy seems likely to ultimately bring closer political ties with the West as well.

Last year, for example, Baghdad was reported to have secretly proposed selling a large amount of oil directly to the U.S. Defense Department for stockpiling in America's strategic petroleum reserve.

Nothing came of that deal, but workers recently began putting a fresh coat of white paint on the building that houses the small U.S. interest section in Baghdad, giving rise to speculation that Iraq was considering restoring the formal diplomatic relations that it severed following the 1967 Arab-Israeli war.

That has not happened yet, even though Secretary of State Cyrus Vance told Foreign Minister Hammadi at the United Nations last autumn that the United States was ready to resume full relations with Iraq at any time.

The problem, Iraqi officials say, remains Israel.

"The U.S. is still feeding Israeli military machine and helping her produce nuclear weapons," says Naim Haddad,

a senior member of the Revolutionary Command Council. "The U.S. has been pursuing policy against the Arab nation."

Since the death of Egyptian President Gamal Abdul Nasser—who unsuccessfully tried various times to unite his country with Libya, Syria, Sudan and Iraq—Baghdad's ruling Baathists have been the fervid advocates of the Arab goal.

But given the open feuds with Syria and Baghdad's disenchanted with Egypt, it is hard to see why Iraq's focus seems to be turning away from the Fertile Crescent and toward the Gulf.

"Iraq's weight as a state," top Kuwaiti remarked recently, "is clearly tied to the Gulf."

Five years ago, the notion of Iraq marching to the tune as the Gulf oil states would have seemed outrageously absurd.

But with Iraq's emergence as a major oil power, the Gulf feud, which threatened to engulf the rivals' petroleum fields, began to make less and less sense.

The turning point in Iraqi relations came in 1971 at the Algiers conference of the Organization of Petroleum Exporting Countries. Sheik Muhammad Reza Pahlavi, Iran's Shah, and Saddam Hussein exchanged the kiss of peace.

Baghdad and Tehran found the prospects of an escalatory confrontation uninviting. Iraqi officials say if a battle had taken place, it would have engulfed both countries' oil fields in the south.

"If that had happened," an Iraqi official said, "it would have not been good for us, for Iran, or for the West."

Baghdad also moved to mend fences with Kuwait and Saudi Arabia. Iraq signed a wide range of power, water and trade agreements with Kuwait last May.

As an indicator of how greatly the Gulf situation has changed, Baghdad privately let it be known this spring that it was not the least bit opposed to the U.S. decision to sell 60 F-15s to Saudi Arabia—even though President Carter's administration justified the sale by citing Iraq as a "potential enemy."

A "potential enemy," sale of the warplanes was approved, Saudi Defense Minister, Prince Sultan, was warmly welcomed to Baghdad for a formal state visit.

"We don't want to bring about any changes in the Kingdom," an Iraqi Foreign Ministry official insisted in an interview. "And I think they are beginning to believe us, and our sincerity."

"The Iraqis are trying to establish a new identity," a senior Saudi official declared. "If they ask for support from the West, they should get it." — (WFP)

## Settlements and the summit

By Charles Meade

**WASHINGTON —**The flurry of news reports from the Middle East over the past few days underlines again the fragile nature of the Arab-Israeli peace effort.

First came the surprise disclosure from Tel Aviv of an Israeli plan to create new settlements on the West Bank. According to news dispatches, the plan had been worked out in late June by a cabinet committee on security matters but held secret for seven weeks by military censorship.

Next came the reactions. In Cairo, Egyptian officials said the Israeli decision would be harmful to the summit talks

scheduled to begin in the United States on Sept. 5. Then came a terse remark by President Carter who told an American reporter he hoped there would be no more Israeli settlements.

Before the American press had a chance to comment, Israeli newspapers spoke out editorially, and much of what they had to say was critical of the settlements decision and especially its timing. Typical was the reaction of the morning paper "Davar," which called on the Israeli government to delay a final decision on the plan until the upcoming summit talks have ended. Not long after, the government agreed to do just that.

The announcement was of

course welcomed in Washington where the question of Jewish settlements in the occupied territories has long been viewed as a violation of international law and a major obstacle to peace.

The settlements issue will likely be high on the agenda when Israeli Prime Minister Begin and Egyptian President Sadat resume their stalled negotiations early next month. The Carter administration fears that unless the current deadlock is broken there is serious danger of another Middle East war.

It is painfully true that few observers in the United States and elsewhere—give the forthcoming summit talks much chance for success. So the question is: Why the summit?

In a newly-published interview with the American magazine, "U.S. News and World Report," President Carter was asked why he had undertaken the politically risky role of match-maker for an event so many have already deemed to failure. Carter responded that the stakes were too high, and the U.S. national interest too great, for the United States to remain—in his words—"an idle bystander or a message carrier."

Getting the talks going again within a new negotiating framework, he said, would be a worthwhile achievement in itself.

How worthwhile will, of course, depend on the principals—Begin and Sadat—both men newly aware of just how vulnerable the peace effort is. — (USIS)



"I wasn't buried very deeply."

## Casino Wall Street

B Nicholas Von Hoffman

**WASHINGTON—**That chatter you hear in the background is the boys beating the drums for the newest name on the list of the deserving needy... the New York stock market. People must buy stocks to pull America out of the doldrums—which means cutting the capital gains tax.

Our capital gains and the Dow Jones will surge, rush, zoom and leap forward 500 points, American businessmen will have money to buy new machines and employ more people... but only if that tax is cut because investors won't risk their money if they have to hand over their profits to the federal tax racketeers.

Nevertheless there are other causes, having nothing to do with taxes, for the fact five million fewer investors are in the market than there used to be.

One of the causes is the belief that stock prices are dishonestly rigged. You don't have to read the smudged mimeographed sheets distributed by minuscule, socialist corporates to be exposed to the opinion there is massive law-breaking in the stock market. Look at the business press. Read Robert Bleiberg in "Barons" (July 24th): "... illegal trading on inside information is running riot up and down Wall Street."

A jockey who bets against the favorite because he knows, while the betting public doesn't, that the horse has a chest cold is cashing in on insider information. The president of a company who secretly buys stocks after he learns of a new

lucrative merger offer is also cashing in on insider information and breaking the law. This law is broken so often that the "Wall Street Journal" reported there is circumstantial evidence that there was illegal insider traffic in the stocks of 27 out of 30 companies subject to merger offers in April and May of this year alone.

If any potential investors can read the market is a swindle in the most respected organs of the business press it's absurd to go fishing for fancy explanations for the refusals of buyers to volunteer to get their pockets picked. Nor is that the only kind of readily available bumper business news to scare off buyers.

In "Business Week" they can learn about the bankruptcy of the Washington Group, Inc., whose chief executive officer was Smith Bagley, President Carter's friend and frequent host. In a complicated set of deals it appears that Bagley and an associate borrowed money, bought a company with it, and then made the company liable for the debt. Not a very nice deal for the company's stockholders, nor is that all.

"Business Week" reports the Justice Department and the Securities and Exchange Commission have started an investigation of the Washington Group, Inc.

It's no wonder a lot of folks prefer the risk of real estate.

Would-be stock market investors remember Avon. In the past five years the value of Avon stock has fallen 65 percent, which adds up to a \$5 billion beating for the compa-

ny's shareholders.

News of such exceptional wrecks can frighten off people from stocks in general. Many also don't buy because Wall Street has gone out of its way to merchandise itself as an international casino. Along with the executives of many of the companies whose stock Wall Street sells, brokers have pushed the idea of buying as a gamble on future price rises so long and so loud they have convinced the world that owning stock is a leisure-time activity, an entertainment diversion for money you don't really need and can afford to lose.

As the stockbroker's came to resemble the \$2 betting window, owning stock came to feel less like owning a piece of a business than like visiting Churchill Downs, that track down in Kentucky where they run the derby. And, with dividends kept forever low, potential customers can't help but feel used and besieged. For all the talk out of businessmen's mouths about what they owe their stockholders, the way they act conveys the message that it's really very little.

Stockholders see their money sunk into bombastically designed, horrendously expensive headquarters buildings and into fancy pants private jets. They look at their shrunken, misshapen investments, their flat dividend checks and listen to the screaming about ending tax deductions, so they sell out and buy bonds or real estate or antique toys—anything that will hold its value.

It wasn't just the tax that played mascot to the bull market. — (KFS)

## Honest money

By Henry C. Wallich  
(The writer is a member of the Board of Governors of the U.S. Federal Reserve System.)

**WASHINGTON —**We have been learning for some time that inflation damages the economy and all that live by it. But inflation does more than material damage.

Inflation has ended the dollar's role as a trustworthy measure of values. Dealings and contracts based on the dollar have become deceptive. This is not simply a cause of economic injury. It is a moral as well as an economic issue. Without honest money the economic dealings of the United States will be neither efficient nor even honest.

If our contracts were made

in terms of frequently shrinking measures of weight, time or space, as we buy food, sell our labor, or acquire real assets, we would probably regard that as cheating and as intolerable. Yet the case is much the same when we are dealing with monetary values.

Nothing that is expressed in dollars any longer means what it says. Inflation is like a country where nobody speaks the truth. It introduces an element of deceit into all our economic dealings.

Everybody now makes contracts knowing perfectly well that they will not be kept in terms of constant values. But any specific allowance made for inflation in such a contract is bound to be speculative. We

do not know whether the most valuable part of the contract may not turn out to be the paper it is written on. This condition cannot be reconciled with honesty.

The moral issues posed by inflation go beyond what I consider deceit. There are other forms of moral deficiency, and inflation involves some of the least attractive. Inflation is a means by which the strong can more effectively exploit the strategically positioned and the well-organized can gain at the expense of the unorganized and the aged.

Inflation is also a means by which debtors can exploit creditors. The debtor's burden is reduced by inflation, the creditor's assets are decimated. (High

nominal interest rates provide no adequate compensation since interest is tax-deductible to debtors and taxable to creditors.) The small saver, by law, is not allowed to obtain an interest rate reflecting inflation. Interest-rate ceilings on savings deposits see to it that he will be a sufferer from inflation.

In the eyes of economists and of government, inflation becomes a means of exploiting labor's "money illusion," namely, its supposed belief that "a dollar is a dollar is a dollar." It is thought that labor will respond favorably to a seemingly large wage offer that subsequently is eroded by inflation. If labor fails to notice the trick, it will keep working for less than it really demand-

ed, and employment will be higher. But a government pretending to serve the nation's interests by, say, misinforming the people about its military plans would be harshly taken to task. Why should trading on the people's money illusion be regarded differently?

Business accounting is made deceptive by inflation. Illusory profits on inventories, and

likewise illusory profits due to depreciation rules that allow to take into account only original cost instead of replacement cost or plant and equipment, grossly exaggerates true earnings. Taxes and dividends are paid from possibly nonexistent profits.

Initiation also undermines the honesty of our public policies. It allows the politician to make promises that cannot be met in real terms, because, as the government overspends trying to keep those promises, the value of the benefits it delivers shrinks. A permissive attitude toward inflation, allowing politicians to validate their promises by money creation, encourages deceitful promises in politics.

Initiation becomes a surreptitious means of promoting changes in our economic, social and political institutions that circumvent the democratic process. Inflation may end up making the existing system unworkable. It does so, for instance, by making it almost impossible to provide for the future by

private action. Personal savings, insurance, pension funds all can be wiped out by accelerating inflation. Under conditions of inflation, only the government, then, can offer security. The government pensioner, reliably indexed as he is today, runs no risk short of a strike at the money printing office of the Bureau of Engraving and Printing.

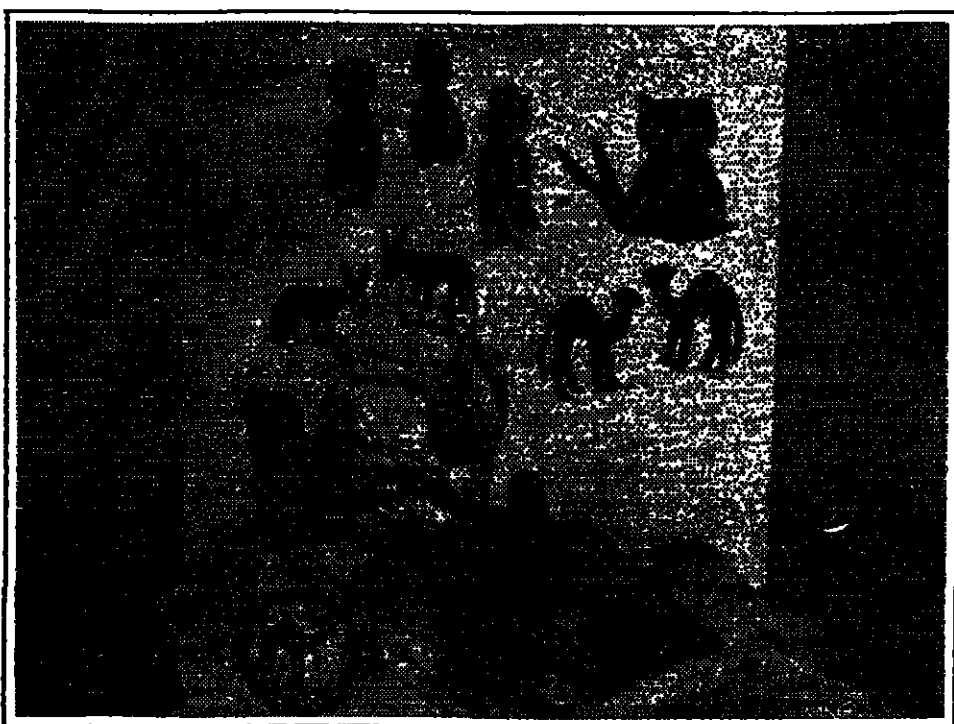
Initiation similarly threatens to deliver business into the hands of government. As profits cease to be measurable, strong firms become less strong, less strong firms become marginal. Dependence upon and eventual absorption by government may be the only solution.

There is no substitute for honest money. — (NYT)

Jeff in 1973



## The 'sand-happy' creations of Charlene Peattie



Some of Charlene Peattie's sand creations

By Edna Greene

DHAHRAN—To many in Saudi Arabia, the ever-present sand can be a nuisance. Not so for Charlene Peattie. Charlene has combined a creative talent with the area's most plentiful natural resources to produce a line of charming desert creatures. Her sand-product menagerie consists of camouflaged camels, sleepy don-

keys, wise owls, and a creature she created herself which she calls a "Sand Happy" her trademark.

Long an enthusiast of arts and crafts, Charlene found it difficult to obtain needed art supplies here and began experimenting with local materials as an art medium. While driving to Dammam after a rain, she noticed slabs of clay by

the road and picked some up to bring home. She also purchased clay from the potters at the caves of Jebel Al-Gharrah on a trip to Hofuf. Using a combination of clay and a "play dough" mixture, she fashioned small owls which she baked to hardness in her own oven. During an art show at Aramco in 1974, she displayed these little creatures

lene says that she has made hundreds of them since.

It was not always easy to get to Hofuf or convenient to find clay locally, so Charlene began to experiment with sand as well. She found that in combination with glue and clay, it too became an interesting and useful art material. She uses no artificial colors

in the sand.

"Why should I add any thing?" She asks. "Nature has done it all for me. The natural beauty of the desert has always inspired me. I love the soft colors and the graceful contours of desert scenery."

Charlene is not a newcomer to these desert scenes she enjoys. She came to Saudi Arabia in 1957 to teach at the Aramco schools. While here she met and married Ed Peattie, then an Aramco engineer. After a few years back in the States, they returned to Saudi Arabia in 1973 when Dr. Peattie joined the faculty at the University of Petroleum and Minerals.

It is just the soft desert colors and lines that have made Charlene's items popular. As her talent became known, people brought her sand from many areas in Saudi Arabia. A friend who works at a water injection plant brought her white sand from 4000 ft. underground. The red hues of sand come from the Rub' Al Khali and the Ad Dahna areas. The most fascinating of all her gifts of sand was from a geologist friend, who, when turning over a rock in the desert, found some bright

yellow sand which dated back to the Cretaceous period when dinosaurs roamed the peninsula.

When Charlene and her husband are travelling, she keeps her eye out for anything that might be useful for her art work. She recently surprised customs officials here by bringing in a large bag of ochre-colored sand from Aswan in Egypt.

The process for crafting these sand creatures is a slow and time-consuming one. Charlene works on an "assembly-line" basis, with several items always in various stages of completion. With her sand mixture she builds layer upon layer, allowing each to dry before adding another. When the form is finished she accents the pieces with the different sands to add color and texture. Acrylic paints are then applied for the detail work.

"The fun in making these

items is that they develop their own personality. It is a matter of trial and error, and I never know what the finished product will be; they are constant surprises," says Charlene of her "Sand Happy" creatures.

Because of her success with the sand creations, Charlene has added a number of items for the personal of her customers. She has even created a selection of holiday decorations. Hand-drawn notecards with scenes of Saudi Arabia, some of which were drawn by her husband, are attractive and useful. When the local printer ran out of red duplicating ink, Charlene used actual sand to add contrast and texture to the notes. It was so successful that she offers this type of card as part of her regular stock now.

Her latest experiment has been with hand-painted scenes on white cotton. These

unique pictures are completely washable, and are done with a paint made for this purpose which is available here.

"My most interesting medium at this time is a paint I brought from the States. It is a sort of solar-powered paint. The colors develop on exposure to the sun. With these paints it is again a matter of trial and error. You don't see the true color until the picture has been completely dried in the sun so you are painting blind. Each picture is a mystery until it is completed," says Charlene.

Aside from being displayed at local art shows and bazaars, Charlene Peattie's "Sand Happy Creations" are offered at a number of stores in the Al-Khobar area, including the stationery store by the Al-Khobar Shopping Center on Pepsi-Cola Street, the Bahar-mid Antique shop, and the Al-Gosaibi Hotel gift shop.

## From mosquitos to locusts, pests plague the world

By Thomas O'Toole

WASHINGTON—A plague of desert locusts is sweeping across the Horn of Africa. At least 67 separate swarms, with 4 billion locusts to a swarm, have been identified in Ethiopia and Somalia this summer.

In the United States the locust's smaller cousin, the grasshopper, is eating its way in near record numbers through the grass, corn and bean fields of the Dakotas, Nebraska, Kansas and Missouri. In the rich alfalfa fields of eastern Colorado, farmers have counted 180 grasshoppers per square meter. "The last year it was this bad was 1958," said Richard Cowden of the U.S. Animal and Plant Health Service. "There are crop growers in Colorado who are already devastated this year by grasshoppers."

Not since the dust bowl days of the 1930s has the United States been so assailed by pests. The gypsy moth in the Northeast, the fire ant in the Southeast, the corn borer in the Midwest and the grasshopper in the Plains states now infest the nation in record numbers.

And the picture is the same throughout much of the rest of the world. Insect pests, long under control, are making a comeback

Mosquitoes are one of the best examples, biting the world's population in such numbers that malaria is a worldwide disease again.

"Malaria is rapidly becoming a major disease in parts of the world that haven't been troubled by malaria in 20 years," said Dr. Clifford Peas of the U.S. Agency for International Development. "Malaria is on its way to becoming a major international problem."

Rising counts of malaria are being recorded in Thailand, India, Lebanon, Brazil, Guatemala, Honduras, Colombia and Haiti. Fully half the 200 million cases of malaria that struck the world in the last year have stricken Africa. An estimated one million children died from malaria in the last year there.

The reasons for the rise in pestilence around the world are not simple. They involve climatic variations, changes in agricultural patterns, the banning of certain pesticides for environmental reasons and widespread insect resistance that makes others ineffective.

The main reason for the increase in malaria, which the World Health Organization estimates has risen more than 25 per cent in the last two years, is the rapid advance of mos-

quito resistance to insecticides.

No fewer than 43 species of malaria-carrying mosquitoes are immune to the potent BHC (benzene hexachloride) and dieldrin, which almost wiped out the malaria mosquito 20 years ago. And the disease has grown resistant to antimalarial drugs.

Whatever the reasons, the results are devastating. India was able to reduce the number of its malaria victims from 100 million in 1952 to 60,000 10 years later. By 1976, the number was back up to 6 million, WHO officials say the numbers are still on the rise. Neighboring Pakistan and Bangladesh are suffering similarly.

The reasons for the locusts in the Horn of Africa are even more complex. The drought that plagued the region for more than five years gave way a year ago to unusually heavy rains, which weather forecasters say will persist for at least another year.

The rain did two things. It gave the locusts the moist soil they need to breed, and it grew the vegetation they need to thrive. So quickly did the locust population grow that as many as 80 swarms were counted early this year.

One swarm flew across the

Indian ocean to Pakistan and India, where the locusts were brought under control through extraordinary effort. Most of the locusts now are in Ethiopia and Somalia, but there are some in Yemen and Oman across the southern end of the Arabian peninsula.

Most pesticides are useless against the adult locusts, which grow to a length of 10 centimeters and come together in swarms that block out the sun for hours at a time when they take to the sky.

Each locust eats its weight equivalent every day. They eat seeds, leaves, flowers fruit and bark. When they swarm on to trees their weight alone breaks the limbs, this year the 50 swarms identified in Ethiopia and the 17 in Somalia have eaten huge swaths of grassland as well as grains like millet, teff, sorghum and corn.

"The people in Ethiopia and Somalia claim the locusts haven't damaged the food crops yet," said the U.S. Department of Agriculture's Joseph Gentry, a leading expert in the desert locust. "If that's true, it's only a matter of time before it happens."

It was a similar cycle of drought followed by wet weather that brought out the grasshoppers in the American West. Like locusts, grasshoppers will eat almost anything. They'll feed on range grass but prefer crops if they can get them. "I've seen them defoliate oak trees, and that's pretty hard eating," said Homer Autry of the U.S. Animal and Plant Health Service. "We have pictures of them eating wooden fence posts and pitchfork handles. Anything with cellulose

that will keep them alive."

What Autry says is the worst grasshopper infestation in 20 years may have been triggered by more than the right weather conditions. The nationwide ban on the persistent pesticides like heptachlor, dieldrin, aldrin and chlordane may also have something to do with it. The allowable substitutes like malathion are more expensive and less effective.

Making matters worse is the trend among farmers to make their croplands bigger and bigger, thus removing any effective barriers to grasshopper migration. The grasshoppers can literally eat their way across the country.

"It's an ideal situation for pests to build up devastating epidemics," the Animal and Plant Health Service's Autry said. "If you have a one-acre field, there's just so many bugs can build up in the field, but if you have thousands of acres far as the eye can see you're going to get millions and millions of bugs."

Grasshoppers don't migrate as widely and as quickly as locusts, but they move a lot faster than most other insects.

The federal government still sprays some grassland, because so much of it is federally owned, but even there the United States bears only one third of the cost.

The situation is analogous in the war against the African desert locust. Ten years ago, the U.S. Department of Agriculture financed the spraying of the African Horn with persistent pesticides that all but wiped out a threatening locust epidemic. This year no such spraying was permissible. — (WP)

### Russian soybeans

WASHINGTON—American soybean producers who have been worried for years about Brazilian competition in world markets for sales of their lucrative crop may have a new problem around the corner: the Russians.

Not that the Soviet Union might become an exporter,

but that it might be starting a crash program to grow more of its own.

U.S. soybean interests have been working to convince the Russians to add their feed crop to the shopping list when their grain buyers visit to buy wheat and corn. — (AP)

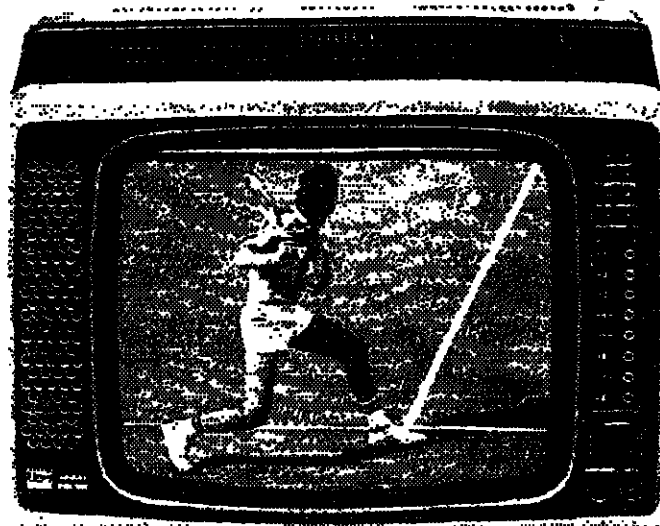
### ANNOUNCEMENT

C.A.C. (The Consulting Architectural Corporation, off Mecca Road) announces the departure of Mr. Paul Bodkin from the Kingdom on 22/8/78, and the termination of their association with him.

Any claims against Mr. Bodkin should be made within 7 days of the publication of this notice, as after this date C.A.C. will cease to be in any way responsible for matters concerning the above named gentleman.

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WIZARD

### Dennis the Menace

8-18

### Believe It or Not!

8-18

JUSTICE JOSEPH P. BRADLEY OF THE U.S. SUPREME COURT IN 1973 REFUSED TO LICENSE MYRA BRADWELL TO PRACTICE LAW ON THE GROUNDS THAT 'THE PARAMOUNT DESTINY AND MISSION OF WOMAN ARE TO FILL THE NOBLE AND BENIGN OFFICES OF WIFE AND MOTHER.'

ROCK SHAPED LIKE THE STATE OF TEXAS. Submitted by Cheryl Blake, Kansas City, Mo.

## CROSSWORD PUZZLE

**Crossword**  
by THOMAS JOSEPH

ACROSS  
1 Liability (4)  
5 Pass catcher's initials (5)  
9 Livelihood (5)  
10 Complaint (5)  
2 Supremely (5)  
5 Vacation time (5)  
6 In Paris (5)  
7 Card game (5)  
8 House of Lancaster symbol (5)  
9 Greek letter (5)  
1 One: Fr. (5)  
2 Colored (5)  
3 Stitch (5)  
6 Sows (5)  
7 Principal (5)  
8 "Blas" (5)  
9 Plethora (5)  
10 One way to call (5)  
4 Tourist mecca (5)  
5 African worm (5)  
6 Inlet (5)  
7 O.T. look (5)  
8 Start a set (5)  
9 "South" (5)  
10 "Fid" (5)  
12 Skayed (5)  
13 Ethereal (5)  
1 Postpone (5)  
2 Inspire (5)

DOWN  
3 Stationed (5)  
4 Explosive (5)  
5 Scattered (5)  
6 Martingale (5)  
7 Comic-strip cry (5)  
8 Malevolent (5)  
9 Signified (5)  
10 Stick (5)  
11 "s guns" (5)  
12 Frodo (5)  
13 Sultan (5)  
14 Swat (5)  
15 Secluded (5)  
16 hollow (5)  
17 Stitch (5)  
18 Sows (5)  
19 Principal (5)  
20 "Blas" (5)  
21 Plethora (5)  
22 One way to call (5)  
23 Tourist mecca (5)  
24 African worm (5)  
25 Inlet (5)  
26 O.T. look (5)  
27 Start a set (5)  
28 "South" (5)  
29 "Fid" (5)  
30 Skayed (5)  
31 Ethereal (5)  
32 Postpone (5)  
33 Inspire (5)

Yesterday's Answer  
1. Never  
2. Sandy  
3. George Burns  
4. Marner  
5. Sundry  
6. Sound  
7. Palm leaf

**DAILY CRYPTOQUOTE** - Here's how to work it:  
AXYDLBAAXX  
LONGFELLOW

One letter simply stands for another. In this sample A is used for the three L's, X for the two O's, etc. Single letters, apostrophes, the length and formation of the words are all hints. Each day the code letters are different.

**CRYPTOQUOTES**  
XFSB XFSGO UVJJYV AVSG  
UVG QVTY XFY WVDB BYYQ  
BFCAX VGV XFY GSOFXB  
BYYQ JCGO. - UVFGO UFVC  
Yesterday's Cryptquote: FORTUNE IS A GREAT DECEIVER. SHE SELLS VERY DEAR THE THINGS SHE SEEMS TO GIVE US. - VINCENT VOLTURE

### Contract Bridge

**B. Jay Becker**

**Famous Hand**

South dealer.  
Both sides vulnerable.

**NORTH**  
♠ 64  
♥ QJ9  
♦ A1043  
♣ J53

**EAST**  
♠ A3  
♥ 73  
♦ KJ952  
♣ 107642

**SOUTH**  
♠ Q88752  
♥ A K10852  
♦ -  
♣ K

The bidding:  
1♠ West 2NT North 3♠ East  
4♠ Pass 2NT East 4♠

Opening lead - ace of clubs.

The name of Shri D. V. Gore may not strike a responsive chord, but Mr. Gore clearly earned a niche in the Hall of Fame because of a defensive play he made in a tournament played in Calcutta. The deal was published in the Indian Bridge World magazine.

West chose the ace of clubs as his lead against four hearts and shifted to a trump. Declarer took the trump lead in dummy with the jack and played a spade, losing the nine to West's ten.

West led another trump, and it was on this trick that Mr. Gore made the remarkable discard of the ace of spades! As a result, declarer went down one. He simply could not avoid losing two more spade tricks to West's K-J.

Actually, South played another spade from dummy, but West took the trick with the jack, and later scored the setting trick with the king of spades.

To appreciate the beauty of Mr. Gore's extraordinary play, let's assume that he had made the more normal discard of a club or a diamond on West's second trump lead. In that case, South would have played a second round of spades from dummy and East would have won the trick with the ace. Whatever East played next, South could later ruff a spade in dummy and so make the contract.

Mr. Gore realized early in the play that the ace of spades was a millstone around his neck, and he therefore parted with it as quickly as possible. He deduced from declarer's first spade play of the nine that West was practically sure to have either the K-J-10 or K-Q-10, as declarer would have played a higher spade than the nine had he held the K-Q, K-J, Q-J, or just the king.

## ARAB NEWS CALENDAR

### PRAYER TIMES

SATURDAY

	Fajr	Ishraq	Dhuhr	Asr	Maghreb	Isha
Mecca	4:46	6:06	12:31	3:55	6:51	8:51
Medina	4:40	6:00	12:33	4:00	6:55	8:55
Nejd	4:12	5:37	12:03	3:29	6:25	8:25

### DHAHRAN TV

3:30 Childrens Show	Mr. Rogers No. 1224, Zoom No. 432
5:00 Man from Atlantis	IMP
5:49 Jokers Wild	No. 493
6:08 Welcome BK. Kotter	No. 208 Chicken Aja Kotter
6:33 Hairy-O	Mysterious Case
7:24 Health Education	Do it for them Mother
7:28 Beretta	Playin police
8:25 Second run Theater	Luv

### WEATHER

Forecast for the next 24 hours:  
A concentration of rain clouds may offer chances of thundershowers over the southwestern region. The rest of the Kingdom will, however, experience a usual summer weather, with surface winds blowing mostly northerly to northwesterly at moderate speed; but active over parts of the eastern and central regions causing occasional sand storms locally.

Sea conditions will be calm to moderate in the Red Sea and moderate to rough in the Gulf.

\* \* \* \* \*

Friday's temperatures (maximum, minimum in centigrade)	
Mecca	38 30
Jeddah	39 28
Riyadh	40 29
Dhahran	44 29
Medina	39 25
Taif	32 21
Tabuk	36 22
Turaif	34 18
Sulayil	40 25
Abha	26 16

### SAUDI RADIO

SATURDAY

Afternoon Transmission  
2:00 Opening  
2:01 The Holy Quran  
2:05 Games of Guidance  
2:10 S.A. - A Daily Chronicle  
2:15 Music  
2:30 On Islam  
2:40 Carefree

Evening Transmission  
10:00 Opening  
10:01 The Holy Quran  
10:05 Reflections on Fasting  
10:10 Light Music  
10:15 NEWS  
10:25 S.A. - A Daily Chronicle  
10:30 Sports Review  
11:00 Islamic Activities on Focus  
11:10 Press Review  
11:15 I'm Sorry I'll read that again  
11:45 The Golden Age  
12:00 Music  
12:15 Mood Music  
12:45 A Rendezvous with Dreams  
12:59 Close Down

3:00 NEWS  
3:10 Press Review  
3:15 Music  
3:20 Hits in Germany  
3:50 Close Down

### VOA

F.M.  
8:00 News Roundup:  
Reports: Actualities:  
Opinion; Analyses  
8:30 Dateline  
News Summary  
9:00 Special English:  
News; Feature, The Making of a Nation  
News Summary  
9:30 Music USA:  
(Standards)  
10:00 News Roundup:  
Reports; Actualities  
10:15 Opinion; Analyses

News Summary  
10:30 VOA Magazine:  
America; Science;  
Cultural; Letter  
11:00 Special English:  
News  
11:30 Music USA:  
(Jazz)

### VOA WORLD REPORT

Midnight  
12:00 News... newsmakers' voices... correspondents reports... background features... media comments... news analyses.

### BBC

7:00 World News  
7:09 News about Britain  
7:15 Our own correspondent  
7:30 "Divertimento"  
7:45 "Lives of Lives"  
8:00 World News  
8:09 Reflections  
8:15 "The Pleasure's Yours"  
9:00 World News  
9:09 British Press Review  
9:15 From the Weeklies  
9:30 New Ideas  
9:40 Look Ahead  
9:45 Sports Review  
10:15 Scotland '77  
10:30 Sunday Service  
11:00 World News  
11:09 News about Britain  
11:15 Our own correspondent  
11:30 Theatre of the Air  
12:30 My Kind of Jazz (ex 18th, 25th, Let the People Sing)

1:00 World News  
1:09 Commentary  
1:15 Letter from America  
1:30 Short Story  
1:45 Saudi Jones Requests  
2:30 The Takeaway Man  
3:00 "Radio Newsworld"  
3:15 Promenade Concerts  
4:00 World News  
4:09 Commentary  
4:15 Our own correspondent

4:40 Look Ahead  
4:45 The Storytellers  
5:00 World News  
5:09 "Book Choice"  
5:15 "The Secret War"  
5:45 Sportscall  
6:00 World News  
6:09 News about Britain  
6:15 Radio Newsworld  
6:30 What's New  
7:00 Radio Theatre  
7:45 Face of England  
8:00 World News  
8:09 Commentary  
8:15 Letterbox  
8:30 Sunday Half-hour  
9:00 Theatre Call (ex 4th, Europa)  
9:15 "Europa (ex 4th, From the Music Festivals (ex 4th)  
9:30 From the Music Festivals (ex 4th)  
9:45 4th, Athletics  
10:00 World News  
10:09 "Our own correspondent"  
10:35 "Book Choice"  
10:40 Reflections  
10:45 Sportscall  
11:00 World News  
11:09 Commentary  
11:15 New Ideas  
11:25 Notes from an observer  
11:30 Folk and Country

### Your Individual Horoscope

Frances Drake

FOR FRIDAY, AUGUST 18, 1978

What kind of day will tomorrow be? To find out what the stars say, read the forecast given for your birth sign.

**ARIES** (Mar. 21 to Apr. 20) ♈  
Stars auspicious. Be observing, mindful of future needs. Especially favored: business negotiations, manufacturing, travel plans.

**Taurus** (Apr. 21 to May 21) ♉  
(You may have an unusual opportunity to advance your interests immediately - one which could have an important bearing on the future as well. Accept.)

**GEMINI** (May 22 to June 21) ♊  
(You always enjoy a challenge, and you may face some interesting ones now. Tackle with vigor, but don't undertake ventures you would not usually consider.)

**CANCER** (June 22 to July 22) ♋  
(Domestic affairs, possibly a personal matter will need some extra attention. Do not, however, neglect daily chores or business needs because of it.)

**LEO** (July 23 to Aug. 23) ♌  
Scattered efforts will confuse, lead you off course. You can win big gains if you buckle down to essentials - and STAY with them.

**VIRGO** (Aug. 24 to Sept. 23) ♍  
Some unprecedented situations or unusual proposals indicated. Study well, but defer taking action until early next week.

**LIBRA** (Sept. 24 to Oct. 23) ♎  
Mixed influences. Question and investigate where there is margin for error. Do not accept suggestions blindly.

**SCORPIO** (Oct. 24 to Nov. 23) ♏  
Quick decisions may now be required due to suddenly changing situations. Be ready to think and act - but without anxiety.

**SAGITTARIUS** (Nov. 24 to Dec. 21) ♐  
Seeking an easy solution to a complex problem may only compound the complications. Face up to it, tackle it as you should, and there'll be no sorry aftermath.

**CAPRICORN** (Dec. 22 to Jan. 20) ♑  
A day in which you could be error-prone, so give careful attention to details - especially in domestic matters.

**AQUARIUS** (Jan. 21 to Feb. 19) ♒  
Stress your perceptiveness. A bit of shrewd observation will enable you to note certain new trends, obtain valuable information.

**PISCES** (Feb. 20 to Mar. 20) ♓  
Look for some unusually pleasant communications from those at a distance; also, new contacts which could prove invaluable in a business way.

July 1978



# A. has no deal for Olympics

**president**

LONDON, Aug. 18 (AP) — Killanin, president of the International Olympic Committee (IOC), said Friday there was no agreement to free Los Angeles from financial liability if the city stages the 1984 Olympic games.

Killanin said reports from Los Angeles that the IOC has made a decision on this point are premature.

Discussions are proceeding and we are trying to see if there is a way of meeting the city's difficulties," he said. "But the rules of the Olympic charter require that the IOC must be satisfied that the city is able to guarantee a financial loss if the games go ahead in the Californian city.

IOC sources have said there is no objection to this, provided both Los Angeles and the U.S. Olympic Committee sign a contract.

In May the IOC provisionally awarded the 1984 games to Los Angeles on condition the city signed a contract by July 31. When the deadline was reached, and no contract had been signed, Mayor Tom Bradley said he would recommend to the Los Angeles City Council that the application for the games be withdrawn.

The IOC extended the deadline to Aug. 21 and persuaded Los Angeles to go on talking.

The new deadline expires next Monday. Killanin indicated it might be extended again by a few days, but if Los Angeles is to stage the games the contract must be agreed before the IOC executive board goes into session at Lausanne Aug. 29.

Killanin has authority as president to accept a contract. But if the issue is still unresolved the IOC executive board will discuss an alternative site.

Montreal, Munich and Mexico City, all previous host cities, have been reported ready to take over the 1984 games.

# World swim meet to open

BRISBANE, Aug. 18 (AP) — The Third Swimming World Championships, buffeted by East-West politics before they even started, opened Friday for what organizers hoped would be a 49-nation opening ceremony.

Organizers said all Soviet Bloc swimmers, including East Germany, will be on hand to witness a feud over flags.

Representatives of Soviet Bloc countries "leave their word on" they would be present said Harm Beyer, President of the West German Swimming Association and chairman of the organizing committee for the West Berlin championships.

West German swimming federation is the host group for the 10-day championships, third ones held by the International Swimming Federation. Soviet Bloc swimmers had objected to the use of the West German flag as a host flag in West Berlin.

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# A titan balloon retires

By Marcus Eliason

PARIS, Aug. 18 (AP)—It carried three brave Americans across the sea in the first-ever transatlantic journey by balloon. Once 11 stories high and carrying five tons, it lay collapsed in a grainfield, a fallen titan ripped to shreds for souvenirs.

Like the Eagle that carried three men to the moon and was abandoned to eternal orbit, the balloon called Double Eagle II will never serve man again.

But Larry Newman, Ben Abruzzo and Maxie Anderson, adventurers from Albuquerque, New Mexico, will join Charles Lindbergh, the Montgolfier brothers, Amelia Earhart and Admiral Byrd in aviation's hall of fame.

Like the "Spirit of St. Louis" that propelled Lindbergh across the Atlantic for the first time 51 years ago, Double Eagle II landed in France.

And what remains of Double Eagle II is to be flown back to the United States to join Lindbergh's Spirit of St. Louis in the Smithsonian Museum in Washington.

Newman, Abruzzo and Anderson received the same effusive, cheering welcome as Lindbergh, although on a smaller scale because they fell short of populous Paris.

Champagne corks popped, drenching the balloonists. Blue-informed gendarmes wearing the same flat-topped kepis that they sported in Lindbergh's time struggled to hold back hordes of applauding, autograph-seeking Frenchmen.

Many were motorists traveling the nearby highway who saw the gigantic balloon drifting earthward and stopped in astonishment. Others were villagers from the surrounding countryside.

More crowds gathered outside the U.S. Ambassador's residence to hail the conquering heroes as they arrived for a tearful rendezvous with their wives.

"My, did we we have a welcome," the exhilarated three said in unison.

They fell 100 kilometers short of Le Bourget Airport, Paris, where Lindbergh landed and where they also dreamed of putting down, because "Lindbergh has been an inspiration to many generations of Frenchmen and Americans," as Anderson put it.

Were they disappointed at not reaching Paris? "Slightly," said Abruzzo, 48. "But it is

only 50 miles short of our goal so we did cover 3,000 miles or so. We set the world record for endurance, the world record for distance and we did cross the Atlantic so we can't be too disappointed."

Six days earlier they had taken off from Maine and headed into the forbidding, endless expanses of the Atlantic, connected to base by nothing but a radio, and with nothing but the wind to carry them East.

Halfway across the ocean the dome of the 160,000-cubic-foot balloon became encrusted with ice and they dropped dangerously close to the roiling sea.

Storms blew around them as they huddled in the shallow catamaran-like gondola suspended from the balloon.

"One time when we were out in the middle of the Atlantic, where we always seemed to be," Anderson said, "an American air sea rescue plane came out and circled us. They said the winds were 17 knots. We had 34 or 35 hours left and at that point there was no way at 17 knots we could make it—but the winds picked up."

The wind, always the wind. It was an obsession. Their lives and their mission depended on it. Capricious, treacherous, it was their only fuel.

They slept only four hours a night, lived on sardines and hot dogs.

Winds threatened to blow away the U.S. flag that hung from the prow of the gondola. Wind scared their skin and the sun turned their hands and faces and angry red.

There was nothing alive at 20,000 feet but them. "We were completely alone," said Anderson.

Of the storms, Anderson recalled, "They're all around you and you hear the seas roaring below, and you know if you go down you're in bad shape." Then they drifted over the Irish shore Wednesday night, not knowing they had achieved their first goal until they saw the lights of town through a break in the clouds.

They were in good shape, with enough altitude, ballast and helium to keep them going, so they decided to skip Ireland, wait over Britain and head for Europe on the trail of "Lucky Lindy."

The weather turned beautifully sunny after weeks of

# Dibbs, Gottfried aim for finals

**Canadian Open**

TORONTO, Aug. 18 (AP)—Top-seeded Eddie Dibbs and second-ranked Brian Gottfried breezed through their third-round matches Thursday en route to a possible Sunday showdown in the men's singles final of the Canadian Open tennis championships.

Dibbs defeated Kjell Johansson of Sweden 6-3, 6-3 and Gottfried had an equally easy time in beating Tom Okker of the Netherlands 6-2, 6-1. Both matches were played on a wind-blown center court at York University Tennis Center.

Six other men advanced into the quarter-finals of the \$210,000 tournament. Chris Lewis of New Zealand defeated defending men's singles champion Jeff Borowiak 2-6, 6-4, 6-3 and Ivan Molina of Colombia upset 15th-seeded Hans Gildemeister, a member of Chile's Davis Cup team.

In other tennis action, unheralded Eliot Teltscher registered his second upset in two days, stunning second-seeded Harold Solomon Thursday and advancing to the semi-finals of the Stowe, Vt. Grand Prix tennis tournament.

Teltscher took away Solomon's baseline strategy by hitting backhand volleys into the corners and emerged with a 6-2, 5-7, 6-2 victory.

Teltscher is in his rookie season on the pro circuit. He upset seventh-seeded Australian Kim Warwick Tuesday with the same deliberate, steady style that marked his victory over Solomon.

Top-seeded Jimmy Connors advanced to the quarter-finals.

Don Robinson drove in two runs and pitched a four-hitter for his fourth consecutive victory, leading the Pittsburgh Pirates to a 5-1 triumph over the Houston Astros in the opener of a two-night double-header.

The Pirates came back to win the second game 3-2.

In the American League, Ralph Garr had two doubles and a single, drove in a run and scored another, leading the Chicago White Sox to a 4-2 victory over the Texas Rangers.

Steve Kemp drove in six runs with a grand slam homer, and a double, carrying the Detroit Tigers to a 9-5 victory over the Cleveland Indians.

Don Money slapped a pair of RBI singles and set up another run with a double to lead the Milwaukee Brewers to a 6-0 victory over the Toronto Blue Jays.

# E. Germany tops cycling races

MUNICH, West Germany, Aug. 18 (AP)—Clocking a world record time, East Germany's defending champion amateur pursuit team set a blistering pace in quarterfinal qualifications Friday at the world cycling championships.

The four-man team covered 4 kilometers in 4:17.97 minutes for an average speed of 55.025 kph to dominate the 20-team trials at the Munich Olympics Velodrome.

West Germany, the silver medalist in 1977, had the second fastest time for the Friday night round of eight in 4:21.64.

The East Germans have already won both men's Olympic disciplines contested so far—1,000 meter time trials on Wednesday and the individual pursuit Thursday.

They would sweep the other two events in the Olympic category if they win the team pursuit finals and the men's sprints in competition Saturday night.

# N.Y., Boston in WTT semifinal

NEW YORK, Aug. 18 (AP)—The Boston Lobsters, New York Apples and Los Angeles Strings have advanced to the semifinals of the World Team Tennis playoffs.

The Lobsters defeated New Orleans 25-23 and the Apples beat the Anaheim Oranges 27-20 in East Division playoffs and the Strings eliminated the Golden Gaters with a 30-29 overtime decision in Western Division play. All three teams won their series 2-0.

The Strings earned a spot in the Western finals against the winner of the Seattle-San Diego Series. Seattle stopped San Diego 28-20 to even their series at 1-1.

Martina Navratilova and Terry Holladay defeated Wendy Turnbull and Renee Richards 6-3 to key Boston's victory over New Orleans.

The Lobsters trailed by as many seven games before the women's double led the comeback.

After the Nets took a big early lead, it was Navratilova who led a Boston comeback as she easily downed Turnbull 6-3 in a singles match before the crucial doubles triumph.

# Dodgers sweep Phillies

NEW YORK, Aug. 18 (AP)—Steve Garvey singled and tripled, driving in four runs, as the Los Angeles Dodgers beat the Philadelphia Phillies 5-2 Thursday night to sweep their three-game series.

Elsewhere in the National League, Ed Halicki fired a four-hitter and Jack Clark slugged his 20th home run of the season to send the San Francisco Giants to a 3-0 victory over the Montreal Expos.

Rick Reuschel fired a four-hitter and Dave Kingman walloped his 20th homer, leading the Chicago Cubs to a 2-0 decision over the Cincinnati Reds.

George Hendrick knocked in two runs with a sacrifice fly and bases-loaded walk to help the St. Louis Cardinals beat the Atlanta Braves 4-3.

Dave Winfield drove in three runs, Ozzie Smith collected three hits and scored three times, and Gaylord Perry notched his 14th victory of the season as the San Diego Padres

# Jaeckel leads Westchester golfers

HARRISON, New York, Aug. 18 (AP)—Barry Jaeckel, who scored his first career victory earlier this season in Tallahassee, Fla., birdied the last two holes for a 6-under-par 63 and a one-shot lead Thursday in the first round of the \$300,000 Westchester Golf Classic.

A single shot back was longshot Jim Albus, a club

# Chess delay

BAGUIO CITY, Philippines, Aug. 18 (R)—Challenger Viktor Korchnoi decided Friday to take an extra two days to consider how to follow through his apparent advantage over champion Anatoly Karpov in the World Chess Championship.

Korchnoi called off Friday night's scheduled resumption of the 13th game in the turbulent struggle for world chess supremacy, using the first of his three automatically granted requests for a rest.

But with Korchnoi's white pieces better placed in the adjourned game, experts felt sure that strategy rather than exhaustion had prompted his call for a rest.

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## Chess delay

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**PASSPORT LOST**

Indian Passport No. L-993505 issued at Hyderabad on 18.10.1977 to Mr. Hasan Ali Khan Mandozi has been lost. Finder please deliver it to Indian Embassy-Jeddah.

**PASSPORT LOST**

Pakistani Passport No. A 177433 issued at Lyallpur on 22-12-76 with Iqama No. 260X of Mr. Arshad Javed has been lost. Finder please deliver it to Pakistan Embassy-Jeddah.

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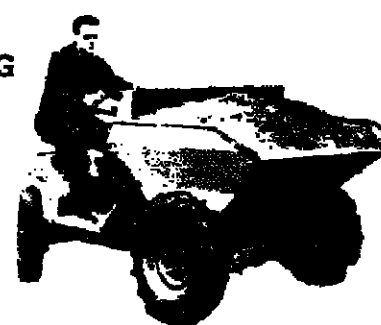
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PAGE 12

Late News

السبت ١٥ رمضان ١٤٢٨ هـ

## Says attorney used pressure

# Ray reiterates his innocence

WASHINGTON, Aug. 18: (AP)—James Earl Ray conceded Friday he had made a detailed and unqualified confession to the murder of Dr. Martin Luther King, and would do so again in the same circumstances. But "all guilty pleas are not made in heaven," he said.

Ray, in his third day of testimony to the House Assassinations Committee, was

questioned time and again about why, if he were innocent, he repeatedly affirmed in a Memphis court on March 10, 1969, that he "fired a shot from the second floor bathroom in a rooming house and fatally wounded Dr. King."

Republican Rep. Harold Sawyer pointed out to Ray that his trial judge, in accepting a bargained guilty plea for a 99-year sentence, had offered

ed Ray many chances to recant the confession but he refused each time.

Moreover, Sawyer noted, Ray told the court that "no one used pressure" to convince him to forego a full trial.

Ray said that was not the case, regardless of what he told the court. He claimed his attorney, Percy Foreman, pressured him on the plea, that he had suffered mistreatment in jail, could not sleep, and his health had degenerated.

Sawyer asked why Ray raised those issues before his sentencing. "Did you make any complaint at all about Mr. Foreman?" he pressed.

Ray: "I can't see how I'd do anything any differently, based on the position the prosecutor and Percy Foreman had me in. There's really no big deal about maneuvering a defendant into a guilty plea. All guilty pleas are not made in heaven."

As for his alleged mistreatment in the Memphis jail, Sawyer quoted from a letter Ray had written an earlier attorney on Oct. 4, 1978, in which he said "I'm just letting you know everything is all right. I'm still gaining weight and sleeping 8 1/2 hours a day."

Ray replied that "you don't deteriorate overnight. It takes four or five months, sometimes eight months when you're in solitary." But he conceded also that he exercised regularly and could walk the length of his cell on his hands.

Earlier, Ray threatened to seal his lips in a dispute over access to decade-old documents, but eventually agreed to continue after receiving a promise that he would receive copies of the evidence.

## Smith says Salisbury discussing conference

BULAWAYO, Rhodesia, Aug. 18 (AP)—Prime Minister Ian Smith said Friday the transition administration is discussing an agenda with U.S. and British envoys for new settlement talks with nationalist guerrilla leaders.

Although Smith adopted his most flexible stance yet on the all-party conference the Western powers are trying to organize to bring peace and black rule to this country, he stressed that the government has made no firm decisions.

"We are not opposed to a conference," Smith told reporters after opening a fund-

## Janata peace proposal said blocked

NEW DELHI, Aug. 18 (AP)—Influential groups were reported Friday blocking a proposal that mediators earlier said had ended a six-week squabble in India's ruling Janata Party.

Under the proposal, dissident leader Charan Singh would be given the powerful post of party president. Singh, 72, the former home minister, was dropped from the cabinet in June over differences with Prime Minister Morarji Desai.

"Charan Singh is willing to become party president," an aide told the Associated Press. "The problem is over at the prime minister's house."

The major stumbling block, according to most press reports, was Singh's refusal publicly to withdraw allegations that Desai's son Kantilal had engaged in the influence-peddling and other corrupt practices.

Singh met Desai Thursday evening for what was billed as a two-hour meeting of reconciliation. It ended in 30 minutes with the former home minister looking grim and Desai telling reporters: "The talks are going on. We will meet again."

Several cabinet ministers are believed strongly opposed to making Singh the party president and two blocs of Janata members have demanded, the next party chief be elected, not appointed. Petroleum Minister H.N. Bahuguna has threatened to resign while Defense Minister Jagjivan Ram expressed reservations about the proposal, the "Statesman" newspaper reported.

raising fete for the Rhodesian Front party in this southern city.

"But we want to be satisfied it is not going to be destructive...it is not going to break up all the good we have done and leave us in a worse position than we are now."

Smith took a less firm line than his black colleague Chief Jeremiah Chirau who declared Thursday most of Rhodesia's 6.7 million blacks and 260,000 whites want an all-party conference and that "we must listen to their voice."

Smith said the Salisbury leaders were in constant contact with the U.S. Ambassador to Zambia Stephen Low and British Foreign Office official John Graham, who returned here two weeks ago after briefing their governments.

"We are in contact trying to clear the picture so we will then have an idea what the agenda will be," said Smith. "We will then make up our minds whether we think it (a conference) is worthwhile or not."

Graham and Low have been shuttling through southern Africa for 10 weeks, spearheading Western attempts to get the peace talks going as the position of the five month-old Salisbury administration appears increasingly precarious.

## 'Paris Match' owner charged over Mesrine

PARIS, Aug. 18 (AP)—"Paris-Match" publisher Daniel Filipacchi has been indicted for publishing an interview with France's most-wanted fugitive: for "justification of the crimes of qualified robbery and murder."

The indictment allows authorities to open a full file and investigation of the case but does not always lead to prosecution, legal experts said.

The interview in question, published in the weekly's Aug. 4 edition, was with Jacques Mesrine, the subject of an intensive police manhunt.

On May 8 Mesrine escaped from a Paris prison where he

was serving 20 years for a series of armed robberies and the attempted murder of a policeman.

The interview was conducted by freelance journalist Isabelle de Wange who was called by Mesrine to meet him at a secret rendezvous.

With the interview, Filipacchi issued a statement fully condemning Mesrine's activities and saying he was publishing the interview in the public interest.

Mrs. de Wange was detained by police for intensive questioning after the interview appeared but released without being charged.



BUCHAREST TOUR: Hua Kuo-feng with Romanian President Ceausescu touring an area of Bucharest Thursday.

## In Romania

# Extra talks prompt questions over progress of Hua's visit

PLOIESTI, Romania, Aug. 18 (R)—Chinese leader Hua Kuo-feng held an unscheduled extra round of talks with Romanian President Nicolae Ceausescu Friday, setting off speculation that his visit had hit

## Nobre da Costa starts forming new government

LISBON, Aug. 18 (AP)—Prime Minister-designate Alfredo Nobre da Costa Friday began the task of forming a new government.

The 55-year-old engineer appointed by President Antonio Ramalho Eanes Aug. 9 to replace Mario Soares, whose Socialist-Conservative coalition fell July 24, was reported confident of completing his task by the end of the month.

Nobre spent the day inviting prominent figures to join his cabinet, but held no meetings.

Sources said it seemed likely that Col. Mario Firmino Miguel would agree to continue as defense minister. Jose Silva Lopes, currently serving as governor of the Bank of Portugal, is expected to replace Victor Constancio as finance minister.

Observers speculated some of Soares' ministers might agree to continue at their posts. The three non-Communist parties have refused to join the cabinet, but the Conservatives and center-right Social Democrats said their members might take part on an individual basis.

snags. The talks in Bucharest caused a three-hour delay in a visit to two Romanian industrial cities by Hua, the first Chinese Communist Party leader to travel outside Asia for more than 20 years.

Hua had been expected to set off in the early morning for the oil-producing center of Ploiesti, north of the capital, and Brasov in central Romania.

But after hours of uncertainty over his whereabouts, the Romanian government news agency Agerpres said Hua and Ceausescu had continued talks in Bucharest. It said nothing about the subjects discussed.

There was no official explanation for the change of plan, although some Romanian officials suggested privately that Hua and Ceausescu were working out economic problems.

Hua eventually arrived in Ploiesti, where he toured a factory producing oil-drilling and exploration equipment and travelled to Brasov to visit a tractor plant.

Romanian officials in Bucharest discounted rumors that the extra talks had been prompted by an angry message which was supposed to have arrived from Moscow about anti-Soviet remarks by Hua at an official dinner two days ago.

At the dinner on the evening of his arrival in Romania, the Chinese leader accused "imperialists and hegemonists" — Chinese code-words for the Americans and Russians — of

trying to infiltrate and undermine other countries in an attempt to control the world. Western diplomats believe Hua's statements could embarrass Romania, which has broken ranks within the Warsaw Pact by maintaining friendly ties with China while trying to stay on good terms with Moscow.

## 'Black told of fear of S. Africa police'

PORT ELIZABETH, South Africa, Aug. 18 (R)—A magistrate who saw a black suspect less than an hour before he dropped to his death from the fifth floor of security police headquarters here said Friday that the man had said he was afraid of being beaten by police.

Willem de Waal Lubbe was giving evidence at the inquest into the death of 20-year-old Lungile Tabalaza who, police say, leapt to his death from a window while being questioned about possible involvement in arson and the use of bombs.

Lubbe said Tabalaza was brought to his office around 2 p.m. on the day he died. Tabalaza told him: "I am frightened that if I do not make a statement then I will be beaten when I am taken back to Sanlam (security police headquarters)."

Lubbe said he had not taken the statement because Tabalaza had indicated he was under pressure to do so.

Lubbe said he had told the security policeman escorting Tabalaza about the suspect's fear, but added he had not thought of asking Tabalaza why he was afraid.

Wilfred Cooper, senior counsel for the Tabalaza family, told the inquest that Tabalaza had been making a serious allegation.

"This incident cannot be dealt with in isolation. By that day the Sanlam building had attained a certain notoriety," he said.

Cooper referred to the pre-

vious deaths in police custody of black consciousness leader Steve Biko and George Botha, a coloured (mixed race) school-teacher, and the criticism of police officers at Sanlam over Biko's death.

Lubbe agreed it would have been advisable to investigate Tabalaza's fears, further in view of the Biko affair.

He said he was disturbed by what Tabalaza had said, adding that in retrospect it was regrettable he had not investigated further.

Lubbe said the first he had heard of Tabalaza's death was when he read about it in a local newspaper the next day.

## Tomb found in Macedon may be king's

SALONIKA, Greece, Aug. 18 (AP)—An ancient unlooted royal tomb has been discovered in the village of Vergina, northern Greece. It presumably belonged to a king of Macedon, archaeologists said Friday.

He said it was too early to determine whose tomb it was as excavations are continuing. His team has not entered the tomb yet.

Andronikos won international acclaim last year when he uncovered the unlooted tomb said to belong to King Philip of Macedon, father of Alexander the Great. The tomb contained solid gold boxes within marble sarcophagi, gold laurel wreaths, gold and silver vases and remains of royal apparel.

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## From page one

rangements proposed by Begin would be like parts of a jigsaw, complete in themselves but waiting to be fitted into a general picture.

They declined to discuss the outline of such pieces, but stressed there would have to be reciprocity in tabling the various components.

Observers said that proposals such as the one from President Sadat for the return to Egyptian control of the north Sinai town of El Arish and Mount Sinai could be pieces in the jigsaw.

They said Begin, in his talks at Camp David, would be lay-

ing stress on arrangements for the Sinai Desert as part of his partial plan rather than the occupied West Bank.

But officials and the Israeli press agreed that questions on the West Bank would be the most difficult because of the stated positions of the Egyptian and Israeli leaders.

Egypt wants full Israeli withdrawal from the West Bank, and self-determination for the Palestinians. Israel has said it will not withdraw fully and is prepared to grant only limited Arab self-rule, with the prospect of discussing the sovereignty issue after five years.

Shah ages which would mean collapse of the present economic system, the return of women to their traditional roles of uneducated childbearers and housekeepers, the revocation of political freedoms and the concentration of decision-making in the hands of a small group of fanatics.

to award them its gold medal of youth and sports.

Additionally, the state-run French air line Air France said it would fly them and their wives home in one of its supersonic Concorde airliners.

Abnuzzo said they had beaten the endurance record set by Ed Yost, the balloon's constructor, by about 30 hours, covered the greatest distance in history, embellished their triumph by crossing Ireland, Wales and England and landed close to their target — "the Eiffel Tower: we didn't quite get there but tried darned hard."

He said the flight "went pretty much according to plan." They jettisoned their calculators, navigational equipment and on-track guidance system to retain height.

They even thought of dumping the television film cameras they had brought, "but unfortunately you can't dribble out a camera like you can the

## American

sand used for ballast," Anderson said.

Abnuzzo and Anderson arrived at the U.S. Embassy news conference with their wives, but without Newman, who had partied late into the night and slept in the same bed in the ambassador's residence that Charles Lindbergh used after his solo transatlantic flight 51 years ago.

The recapture of Keren would also give the government a freer hand for clearing EPLF forces from towns along the steep road winding down from Asmara to the Red Sea port of Massawa.

## Eritreans

to its coordination and planning and would provide a good base if the organization is to continue guerrilla warfare in the province.

The recapture of Keren would also give the government a freer hand for clearing EPLF forces from towns along the steep road winding down from Asmara to the Red Sea port of Massawa.

## Bid

under the authority of the central government.

The strain was reflected in official criticism of American Ambassador Richard Parker's role as a go-between in the southern deadlock. The ambassador also came under strong editorial attacks from leftist, rightist and independent Beirut newspapers alike.

Newspapers claimed Parker caused frequent misunderstandings between Lebanon, the United States and Israel in communicating the position of each side on the question of dispatching the Lebanese army to the South.

## Riad

Arab Emirates on Sunday before proceeding to Sudan for talks with President Numeiri, who heads an Arab League reconciliation committee.

السعودية